

CITY OF BALTIMORE
SINGLE AUDIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

CITY OF BALTIMORE
SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2003

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PART II

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING



CITY OF BALTIMORE

MARTIN O'MALLEY

Mayor

ERNST & YOUNG

621 E. Pratt Street
Baltimore, Maryland 21202

DEPARTMENT OF AUDITS
Room 321, City Hall
Baltimore, Maryland 21202

**Independent Auditors' Report on Compliance and on Internal Control
Over Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

December 9, 2003

The Mayor, City Council,
Comptroller and Board of Estimates
Of the City of Baltimore, Maryland:

We have jointly audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Baltimore, Maryland, as of and for the year ended June 30, 2003, which collectively comprise the City of Baltimore Maryland's basic financial statements, and have issued our report thereon dated December 9, 2003. We did not audit the financial statements of the Baltimore City Public School System (BCPSS), a discretely presented component unit of the City. The financial statements of the BCPSS were audited by other auditors whose report thereon has been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included for this component unit, is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Baltimore, Maryland's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Baltimore, Maryland's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the City of Baltimore, Maryland in a separate letter dated December 9, 2003.

This report is intended solely for the information and use of management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Yovonda D. Brooks, CPA
City Auditor
Department of Audits

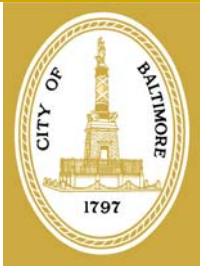
Ernst & Young LLP
Independent Auditors

PART III

REPORT ON SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS

CITY OF BALTIMORE

MARTIN O'MALLEY, Mayor



DEPARTMENT OF AUDITS

YOVONDA D. BROOKS, CPA
City Auditor

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**INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

December 9, 2003

Honorable Joan M. Pratt, Comptroller
And Other Members of the
Board of Estimates
City of Baltimore

We have audited the basic financial statements of the City of Baltimore, Maryland, as of and for the year ended June 30, 2003, and have issued our report thereon dated December 9, 2003. These basic financial statements are the responsibility of the City of Baltimore, Maryland's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not perform tests of compliance with requirements of federal financial assistance programs received by the Baltimore City Public School System and the Enoch Pratt Free Library. Consequently, although these entities' financial statements are included in the City's Comprehensive Annual Financial Report, these entities have not been included in this report. Both, the Baltimore City Public School System and the Enoch Pratt Free Library, are subject to separate audits in accordance with Federal and State requirements, and separate reports thereon for fiscal year 2003 have been previously issued. Federal financial assistance program expenditures covered in these separate reports totaled \$116,910,016.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the City of Baltimore, Maryland, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Office of Management and Budget Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Respectfully submitted,

Yovonda D. Brooks, CPA
City Auditor

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2003

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
OFFICE OF NATIONAL DRUG CONTROL POLICY				
DIRECT GRANTS				
High Intensity Drug Trafficking (HIDTA)	07	(3-a)	I3PWB529	\$164,499
TOTAL DIRECT GRANTS				\$164,499
TOTAL OFFICE OF NATIONAL DRUG CONTROL POLICY				\$164,499
DEPARTMENT OF AGRICULTURE				
MARYLAND STATE DEPARTMENT OF EDUCATION				
Child and Adult Care Food Program - Day Care Centers FY2002	10.558		366700	14,623
Child and Adult Care Food Program - Day Care Centers FY2003	10.558		366700	56,063
Child and Adult Care Food Program - Rec. Centers FY2002	10.558		537300	7,165
Child and Adult Care Food Program - Rec. Centers FY2003	10.558		537300	131,044
Child and Adult Care Food Program FY2000	10.558		014-220	5,748
Child and Adult Care Food Program FY2001	10.558		014-220	5,479,649
Child and Adult Care Food Program FY2002	10.558		014-220	86,121
Child and Adult Care Food Program FY2003	10.558		014-220	534,776
Summer Food Service Program for Children FY1997	10.559		347041	(269)
Summer Food Service Program for Children FY1998	10.559		347041	441
Summer Food Service Program for Children FY1999	10.559		347041	(217)
Summer Food Service Program for Children FY2000	10.559		347041	307
Summer Food Service Program for Children FY2001	10.559		347041	629
Summer Food Service Program for Children FY2002	10.559		347041	17,845
Summer Food Service Program for Children FY2003	10.559		347041	1,269,099
TOTAL MARYLAND STATE DEPARTMENT OF EDUCATION				\$7,603,024
MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE				
Women, Infants, and Children Food Program (WIC) FY2000	10.557		WI 213 WIC	17,724
Women, Infants, and Children Food Program (WIC) FY2001	10.557		WI 213 WIC	(255,174)

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Women, Infants, and Children Food Program (WIC) FY2002	10.557		WI 213 WIC	437,936
Women, Infants, and Children Food Program (WIC) FY2003	10.557		WI 213 WIC	1,390,390
TOTAL MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE				\$1,590,876
MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES				
Emergency Food Assistance Program	10.568		CSA/FNS-95-005	89
Emergency Food Assistance Program FY2002	10.568		CSA/FNS-003-A3	323,448
TOTAL MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES				\$323,537
MARYLAND STATE OFFICE ON AGING				
USDA Congregate Meals and Home Delivery	10.550		7-24-AAA-002	38,580
TOTAL MARYLAND STATE OFFICE ON AGING				\$38,580
TOTAL DEPARTMENT OF AGRICULTURE				\$9,556,017
DEPARTMENT OF COMMERCE				
DIRECT GRANTS				
Economic Development Planning Grant	11.302	01-25-15951		20,327
Technologies Opportunities Program	11.552	24-60-100029		1,281
TOTAL DIRECT GRANTS				\$21,608
MARYLAND STATE DEPARTMENT OF NATURAL RESOURCES				
Critical Area Management Program Implementation FY2002	11.419	NA97020164	KOOP2200131	55,015
TOTAL MARYLAND STATE DEPARTMENT OF NATURAL RESOURCES				\$55,015
TOTAL DEPARTMENT OF COMMERCE				\$76,623
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
DIRECT GRANTS				
CDBG-12	14.218	B86-MC-24-0010		(26)

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
CDBG-13	14.218	B87-MC-24-0010		(860)
CDBG-14	14.218	B88-MC-24-0010		13
CDBG-15	14.218	B89-MC-24-0010		(72)
CDBG-16	14.218	B90-MC-24-0010		5
CDBG-17	14.218	B91-MC-24-0010		4
CDBG-19	14.218	B93-MC-24-0010		(3,323)
CDBG-20	14.218	B94-MC-24-0010		20,602
CDBG-21	14.218	B95-MC-24-0010		17,550
CDBG-22	14.218	B96-MC-24-0010		1,807
CDBG-23	14.218	B97-MC-24-0010		146,160
CDBG-24	14.218	B98-MC-24-0010		160,183
CDBG-25	14.218	B99-MC-24-0010		280,506
CDBG-26	14.218	B00-MC-24-0010		253,640
CDBG-27	14.218	B01-MC-24-0010		4,340,933
CDBG-28	14.218	B02-MC-24-0010		25,053,060
Sandtown Winchester - EDI Housing	14.218	B-96-ED-24-2010		1,505,197
UDAG Repayments	14.221			29,200
Emergency Shelter Grants Program	14.231	S00-MC-24-0001		56,206
Emergency Shelter Grants Program	14.231	S01-MC-24-0001		166,634
Emergency Shelter Grants Program	14.231	S02-MC-24-0001		956,962
Emergency Shelter Grants Program	14.231	S98-MC-24-0001		1,624
Emergency Shelter Grants Program	14.231	S99-MC-24-0001		(21,255)
Supportive Housing Program	14.235	MD06B001-007 to		2,951,864
Supportive Housing Program	14.235	MD06B101-002/004/00		1,181,695
Supportive Housing Program	14.235	MD06B201-015		90,012
Supportive Housing Program	14.235	MD06B901-001 to 027		1,634,877
Supportive Housing Program	14.235	MD06B93-1297		(2,597)
Supportive Housing Program FY1997	14.235	MD06B97-0104 to 0120		142,822
Supportive Housing Program FY1998	14.235	MD06B801-001 to 018		254,678
Supportive Housing Program-Super NOFA 1995	14.235	MD06T150770		70,675
Supportive Housing Program-Super NOFA 1996, Year 2	14.235	MD06B96-0301 to 0307		387,786

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Shelter Plus Care	14.238	MD06C00-1003		276,731
Shelter Plus Care	14.238	MD06C101-001/019/02		672,507
Shelter Plus Care	14.238	MD06C90-1023		30,535
Shelter Plus Care	14.238	MD06C95-0143		1,519,425
Shelter Plus Care FY1993	14.238	MD06C93-1128		897,089
Shelter Plus Care FY1994	14.238	MD06C94-0123		353,751
Hanover Park/Westover Manor Apartments	14.239	M-02-MC-24-0200		2,369,487
HOME Program FY1998	14.239	M-98-MC-24-0200		38,191
HOME Program FY1999	14.239	M-99-MC-24-0100		93,471
HOME Program FY2000	14.239	M-00-MC-24-0200		2,296,290
HOME Program FY2001	14.239	M-01-MC-24-0200		2,174,890
HOPWA Homeless Shelter Grant	14.241	MD06H00-F		413,622
HOPWA Homeless Shelter Grant	14.241	MD06H01-F002		4,206,018
HOPWA Homeless Shelter Grant	14.241	MD06H97-0045		938,117
Housing Opportunity for Persons with AIDS (HOPWA)	14.241	MD-H01-0024		424,999
Housing Opportunity for Persons with AIDS (HOPWA) FY1996/Comp.	14.241	MD06H96-0085		(35,679)
Housing Opportunity for Persons with AIDS (HOPWA) FY1996/Entitl.	14.241	MD06H96-F020		(1,146)
Housing Opportunity for Persons with AIDS (HOPWA) FY1998/Entitl.	14.241	MD06H98-F001		4,440
Housing Opportunity for Persons with AIDS (HOPWA) FY1999/Comp.	14.241	MD06H99-0022		409,509
Housing Opportunity for Persons with AIDS (HOPWA) FY1999/Entitl.	14.241	MD06H99-F001		21,336
Innovative Homeless Demonstration Project	14.245	MD06195-0016		61,583
Healthy Neighborhood Initiative Program - Federal	14.246	B01NIMDBA-0002		183,480
Healthy Neighborhood Initiative Program - Federal	14.246	BOINIMDBA-0002		152,230
Neighborhood Recovery - Comm. Law Ctr.	14.246	BOINIMDBA-0002		41,668
Historic East Baltimore Community Action Coalition - HUD 108 Loan	14.248	B-95-MC-24-0010-A		1,386,515
Nehemiah III Housing - HUD 108 Loan	14.248	B-92-MC-24-0010		(800,000)
Public Housing - HUD 108 Loan	14.248	B-96-MC-24-0010		977,691
Rental Rehabilitation	14.248			16,312
Rental Rehabilitation	14.248			110,394
Sandtown EDI Housing	14.248	B-97-MC-24-0010		1,930,366
Sandtown Winchester - HUD 108 Loan	14.248	B-94-MC-24-0010		707,290

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Neighborhood Planning	14.866	MD06URD0021198		(227,986)
Lead Abatement Action	14.900	MDLHB0140-99		92,597
Lead Abatement Action	14.900	MDLHB0140-99		1,470,028
Lead Abatement Action	14.900	MDLHB0140-99		(19,759)
Lead Abatement Action	14.900	MDLHC0092-98		(472,364)
TOTAL DIRECT GRANTS				\$62,390,190
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				\$62,390,190
DEPARTMENT OF INTERIOR				
DIRECT GRANTS				
Harlem Park Renovations	15.919	24CTY0050-01-01		38,627
UPARR Playground	15.919	24CTY0050-02-01		60,871
TOTAL DIRECT GRANTS				\$99,498
TOTAL DEPARTMENT OF INTERIOR				\$99,498
DEPARTMENT OF JUSTICE				
DIRECT GRANTS				
U.S. Dept. of Justice - Asset Forfeitures	16 (3-b)			83,561
U.S. Dept. of Justice - Asset Forfeitures	16 (3-b)			118,454
U.S. Dept. of Justice - Asset Sharing (Police)	16 (3-b)			428,379
Baltimore Domestic Preparedness	16.007	2002-TE-CX-0134		432,569
Baltimore Domestic Preparedness Equipment	16.007	0348-0004		196,954
Domestic Preparedness Equipment Support	16.007	2000-TE-CX-0100		10,878
Domestic Preparedness Equipment Support Program	16.007	2000-TE-CX-0100		(2,703)
Restructuring the Role of the Police Sergeants	16.560	96-IJ-CX-0086		152,251
Local Law Enforcement Block Grant Round I FY1996	16.592	96-LB-VX-3615		(152,122)
Local Law Enforcement Block Grant Round III FY1998	16.592	98-LB-VX-2832		(677,282)
Local Law Enforcement Block Grant Round IV FY2000	16.592	2000-LB-VX-0446		292,273

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Local Law Enforcement Block Grant Round V FY2001	16.592	2000-LB-BX-2532		1,448,248
Local Law Enforcement Block Grant Round VI FY2003	16.592	2001-LB-BX-2915		2,633,115
Weed and Seed	16.595	00-020D		4,543
Weed and Seed	16.595	1999-WS-2X-0104		59,675
Weed and Seed	16.595	1999-WS-QX-0104		14,697
Weed and Seed - Asset Forfeiture	16.595	1999-2S-2X-0104		10,275
Community Gun Violence Prosecution Program	16.609	2001-GP-CX-0019		287,772
COPS 311 Technology Grant	16.710	1999-CK-WX-0032		133,901
COPS Distressed Neighborhood Pilot Program	16.710	98-CQ-WX-0017		548,656
COPS MORE 2001 Award	16.710	2001-CL-WX-0054		999,991
COPS MORE Program	16.710	96-CL-WX-0052		369,086
COPS Universal Hiring Program	16.710	2001-UL-WX-0032		12,714,468
Creating Culture - Integrity	16.710	2002-HS-WX-0014		23,700
Supplemental Hiring	16.710	1999-DL-CX-0010		3,391
Technical Services Bureau	16.710	2001-CK-WX-0129		1,146,390
Technical Services Bureau	16.710	2002-CK-WX-0004		610,323
Maryland Police Corps Plan	16.712	96-TC-MD-4115		820,717
TOTAL DIRECT GRANTS				\$22,712,160
MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES				
Family Bereavement Center FY2001	16.575		CSA/CVA/01-006	209,470
TOTAL MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES				\$209,470
MARYLAND DEPARTMENT OF PUBLIC SAFETY				
Community Court Project	16.609	1999-DD-BX-0076		(48,538)
Community Court Project	16.609	2000-PP-CX-D019		89,616
TOTAL MARYLAND DEPARTMENT OF PUBLIC SAFETY				\$41,078
MARYLAND GOVERNOR'S OFFICE OF CRIME CONTROL AND PREVENTION				
Stopping Adolescent Violence Early (SAVE) FY2000	16.523		JHIB-1999-0013	(65)
Stopping Adolescent Violence Early (SAVE) FY2001	16.523		JA1B-2001-0013	195,177

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Stopping Adolescent Violence Early (SAVE) FY2002	16.523		JA1B-2002-1098	17,436
Services Coordinator Juvenile Court	16.540	JA1B-2000-1006		695
Police Athletic League	16.541	2001-SI-FX-0002		685,150
Administrative Direction & Control	16.579		BYRN-2000-1025	42,093
Baltimore City Baybrook Brooklyn Park	16.579		BYRN-2002-1284	6,067
Baltimore Domestic Violence	16.579		BYRN-2000-1041	13,976
Domestic Violence	16.579		BYRN 2002-1265	38,233
Domestic Violence Protection Order	16.579		BYRN-2000-1046	51,679
Drug Court Treatment Program	16.579		BYRN-2002-1209	33,275
Enhancing Service to Victims	16.579		BYRN-2000-1090	31,995
GOCCP - Consolidation - Hot Spot Continuation Grant	16.579		BYRN-2001-1152	89,502
GOCCP - Consolidation - Hot Spot Continuation Grant	16.579		BYRN-2001-1209	410,353
GOCCP HIS YRIV Grant - Local Coordination	16.579		BYRN-2000-1059	1,034
GOCCP HIS YRIV Grant - Nuisance Abatement Hot Spots II Yr I	16.579	HSCI-00-070-NA	DL-99-0402-NA	(122,619)
GOCCP NS I YR IV Grant	16.579		BYRN-2000-1058	102,845
Governor's Office on Crime (HOPE Grant)	16.579		BYRN-2001-1138	210,749
Governor's Office on Crime (HOPE Grant)	16.579		BYRN-2002-1209	1,095,248
High Risk Protection Equipment	16.579		BYRN-1999-1016	6,763
Hot Spots Initiative Round II	16.579		24**DL98-0400 to 0404	(56,576)
Hot Spots Initiative Round III	16.579		24**DL99-0400 to 0404	188,589
Maryland Re-entry Partnership (REP) Initiative	16.579		BYRN-2001-1095	87,789
Physical Child Abuse - A Fresh Approach	16.579		BYRN 2002-1753	50,749
Physical Child Abuse - A Fresh Approach	16.579		DLE-98-487	12,125
Reverse 911 Interactive Community Policing Program	16.579		DLE-98-542	1,483
Warrant Apprehension Task Force Equipment and Operations Enhancement	16.579		BYRN-1998-1014	7,084
Wire-Tap, Anti-Violence and Electronic Surveillance (WAVES)	16.579		BYRN-1999-1006	(3,088)
Wire-Tap, Anti-Violence and Electronic Surveillance (WAVES)	16.579		BYRN-2002-1287	172,696
Youth Initiative	16.579			18,099
Domestic Violence Unit	16.588		VAWA-2001-1016	35,317
Violence Against Women Program Coordinator	16.588		VAWA-2001-1045	371
Violence Against Women Program Coordinator	16.588		VAWA-99-007	2,045

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Domestic Violence Court Liaison	16.590		GRE A-1997-1004	60,794
TOTAL MARYLAND GOVERNOR'S OFFICE OF CRIME CONTROL AND PREVENTION				\$3,487,063
TOTAL DEPARTMENT OF JUSTICE				\$26,449,771
DEPARTMENT OF LABOR				
DIRECT GRANTS				
Senior Aides Program	17.235	AD-11706-01-55		4,455
Senior Aides Program	17.235	AD-12523-02-55		326,376
Youth Opportunity Grant	17.249	AZ-10110-00-60		51,249
Youth Opportunity Grant	17.249	AZ-10110-00-60		25,898
Workforce Investment Act Rewarding Youth Achievement	17.259	AZ-11324-01-60		153,883
Workforce Investment Act Rewarding Youth Achievement	17.259	AZ-11324-01-60		539,609
Workforce Investment Act Sectoral Employment Demonstration Formation	17.260	AN-11625-01-60		41,173
Operation Safe Kids	17.261	AF-12392-02-60		278,950
Out-Of-School Youth Pilot Demonstration Program	17.263	F-7343-9-00-80-60		(16,633)
Peer-to-Peer Learning Project	17.263	AF-10535-00-60		170
Youth Opportunity Initiative Project	17.263	Z-10110-00-60		(18,439)
TOTAL DIRECT GRANTS				\$1,386,691
MARYLAND STATE DEPARTMENT OF EDUCATION				
Maryland's Tomorrow Program FY1999	17.248		930240	94
Maryland's Tomorrow Program FY2000	17.248		930240	(283)
School to Careers	17.263		831444-01/02&03	2,720,255
School to Careers	17.263		731881-01/02	74,529
TOTAL MARYLAND STATE DEPARTMENT OF EDUCATION				\$2,794,595
MARYLAND STATE DEPARTMENT OF LABOR, LICENSING AND REGULATION				
JTPA Title III Economic Dislocation & Worker Adj. Assistance FY1998	17.246		34.07.01.04.982J350.43	3,763
JTPA Title III Economic Dislocation & Worker Adj. Assistance PY1999	17.246		POOB9000239	(2,614)

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
JTPA Title III Metro Tech	17.246		POOB1200182	355,915
Metro Tech	17.246		POOB3200040	443,843
Metro Tech Demo Grant	17.246		POOB3200042	475,928
JTPA Title I Administrative Cost Pool FY1996	17.250			(1,587)
JTPA Title I Administrative Cost Pool FY1998	17.250			(146,069)
JTPA Title I Administrative Cost Pool FY2000	17.250			23,629
JTPA Title I Administrative Cost Pool FY2001	17.250			(54,918)
JTPA Title I Program Cost Pool FY2000	17.250			62,547
JTPA Title I Program Cost Pool FY2001	17.250		POOB1200005-C	(5,345)
JTPA Title II Administrative Cost Pool FY1997	17.250			872
JTPA Title IIA Adult Grant FY1998	17.250		34.07.01.04.616J350.40	8,717
JTPA Title IIA Adult Grant PY1999	17.250		POOB9000231	(30,026)
JTPA Title IIB Summer Youth Employment Training FY1998	17.250		34.07.01.04.614J350.41	(13,923)
JTPA Title IIB Summer Youth Employment Training FY2000	17.250		POOB8000203	(45,253)
JTPA Title IIC Youth Grant FY1998	17.250		34.07.01.04.615J350.39	167
JTPA Title IIC Youth Grant PY1999	17.250		POOB9000264	(23,403)
Welfare to Work	17.253		POOB9000032	564,974
Welfare to Work Competitive Grant	17.253	Y-7192-9-00-81-60		748,749
Welfare to Work Formula	17.253		POOB0200062	1,749,369
JTPA Title I Administrative Cost Pool FY2002	17.258			(686,198)
JTPA Title I Administrative Cost Pool FY2003	17.258			1,069,338
JTPA Title I Program Cost Pool FY 2003	17.258			1,470,528
JTPA Title I Program Cost Pool FY2002	17.258			(1,328,979)
Workforce Investment Act 10% Statewide Grant - Adult	17.258		POOB1200207	55,919
Workforce Investment Act Administration - Adult	17.258		POOB1200005-A	180,097
Workforce Investment Act Administration - Adult	17.258		POOB3200020-A	154,123
Workforce Investment Act Administration - Adult	17.258		POOB220012-A	106,755
Workforce Investment Act Adult	17.258		POOB3200020-B	2,752,820
Workforce Investment Act Adult	17.258		POOB1200005-B	370,577
Workforce Investment Act Adult	17.258		POOB220012-B	2,638,903
Workforce Investment Act Carry-in Grants - Admin. IIA PY1998	17.258		POOB1200149-A	(1,326)

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Workforce Investment Act Carry-in Grants - Admin. IIA PY1999	17.258		POOB1200152-A	142
Workforce Investment Act Carry-in Grants - Adult JTPA IIA/5% PY1999	17.258		POOB1200152-B	34,201
Workforce Investment Act Govt. 15% Dis. Funds	17.258		POOB2200085	129,227
Workforce Investment Act Self Employment Assistance - Adult	17.258		POOB220041	74,768
Workforce Investment Act Self-Employment Assistance - Adult	17.258		POOB3200014	62,696
Workforce Investment Act 10% Statewide Grant - Youth	17.259		POOB1200207	55,920
Workforce Investment Act Administration - Youth	17.259		POOB220012-A	131,251
Workforce Investment Act Administration - Youth	17.259		POOB1200005-A	198,484
Workforce Investment Act Administration - Youth	17.259		POOB3200020-A	181,645
Workforce Investment Act Carry-in Grants - Admin. IIB/IIC PY1998	17.259		POOB1200149-A	(1,326)
Workforce Investment Act Carry-in Grants - Admin. IIB/IIC PY1999	17.259		POOB1200152-A	142
Workforce Investment Act Carry-in Grants - Youth JTPA IIB/IIC PY1999	17.259		POOB1200152-C	(4,725)
Workforce Investment Act Self Employment Assistance - Youth	17.259		POOB220041	74,768
Workforce Investment Act Self-Employment Assistance - Youth	17.259		POOB3200014	62,696
Workforce Investment Act Youth	17.259		POOB1200005-C	(12,984)
Workforce Investment Act Youth	17.259		POOB2200012-C	2,615,220
Workforce Investment Act 10% Statewide Grant - Dislocated Worker	17.260		POOB1200207	55,919
Workforce Investment Act Administration - Dislocated Worker	17.260		POOB1200005-A	92,877
Workforce Investment Act Administration - Dislocated Worker	17.260		POOB3200020-A	87,647
Workforce Investment Act Administration - Dislocated Worker	17.260		POOB220012-A	64,416
Workforce Investment Act Carry-in Grants - Admin. III PY1998	17.260		POOB1200149-A	(1,326)
Workforce Investment Act Carry-in Grants - Admin. III PY1999	17.260		POOB1200152-A	142
Workforce Investment Act Carry-in Grants - Disl. Workers III PY1999	17.260		POOB1200152-D	(70,172)
Workforce Investment Act Dislocated Worker	17.260		POOB1200005-D	120,891
Workforce Investment Act Dislocated Worker	17.260		POOB3200020-D	1,017,837
Workforce Investment Act Dislocated Worker	17.260		POOB2200012-D	2,023,987
Workforce Investment Act Rapid Response Grant	17.260		POOB3200124	12,055
Workforce Investment Act Self Employment Assistance - Dislocated Worker	17.260		POOB220041	74,768
Workforce Investment Act Self-Employment Assistance - Dislocated Worker	17.260		POOB3200014	62,696
School to Careers	17.263		031839	60,350
School to Careers	17.263	AZ-10110-00-60		5,262,653

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
School to Careers - Career Connection	17.263		931158	245,028
Youth Opportunity Grant	17.263	AZ-10110-00-60		2,875,519
Youth Opportunity Grant	17.263	AZ-10110-00-60		3,883,554
TOTAL MARYLAND STATE DEPARTMENT OF LABOR, LICENSING AND REGULATION				\$30,368,858
TOTAL DEPARTMENT OF LABOR				\$34,550,144
DEPARTMENT OF TRANSPORTATION				
DIRECT GRANTS				
Child Safety Seat/Helmet Grant	20.600	01-073		150
Child Safety Seat/Helmet Grant	20.600	02-087		8,890
Community Traffic Safety Program	20.600	03-174		24,122
Traffic Safety Impaired Driving Enforcement	20.600	02-174		27,526
Traffic Safety Pedestrian Enforcement	20.600	02-174		49,880
TOTAL DIRECT GRANTS				\$110,568
MARYLAND EMERGENCY MANAGEMENT AND CIVIL DEFENSE AGENCY				
Continuing Education	20.703	HMEMD6038040		(7,700)
TOTAL MARYLAND EMERGENCY MANAGEMENT AND CIVIL DEFENSE AGENCY				(\$7,700)
BALTIMORE REGIONAL COUNCIL OF GOVERNMENTS				
UPWP Administration	20.505		L- 30B-B; 31B-B; 39D-B; 36B-C;	104,160
UPWP Administration	20.505		L-20B-C	2,727
TOTAL BALTIMORE REGIONAL COUNCIL OF GOVERNMENTS				\$106,887
MARYLAND STATE DEPARTMENT OF TRANSPORTATION				
1994 Turn Signal Amber Lights Upgrade to Traffic Turn Signals	20.205	STPG-000S(141)E	315-015-815	1,110
Annapolis Road Bridge	20.205	BRF-IX-OOOS(76)	269-060-815	242,920
Argonne Drive Bridge	20.205	BHF-3206(001)E	269-065-815	34,615
Citywide Traffic Signal Reconstruction Phase I	20.205	STP-000S(428)E	315-020-815	185,222

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Cleaning & Painting of Howard St. Bridge	20.205	IX-3069(12)N	311-214-815	4,575
Edmondson Ave. Bridge Over CSX	20.205	BR-2441(017)	269-066-815	3,511
Empowerment Zone	20.205	HP-0459-(002)	308-003-815	1,150,429
Falls Landing Bulkhead and Promenade	20.205	STP-001(693)	AT-285-5125	1,201,870
Forest Park Avenue Bridge over Gwynns Falls	20.205	BRF-3149(3)	269-062-815	303,406
Frederick Ave. Bridge over Gwynns Falls	20.205	BRF-3012(13)E	269-061-815	382,053
FY1999 Bridge Inspection	20.205	BRO-BRF-NBIS(93)E	269-058-815	5,760
FY2001 Bridge Inspection	20.205	BRF-NBIS(097)E	269-063-815	598,718
Gay Street - North Ave. to Preston	20.205	STP-000S(906)	315-040-815	3,847
Gwynns Falls Trail	20.205	STP-1(647)E	AW-810-5125	2,878,917
Harford Rd. Bridge Over Herring Run	20.205	BRP-3033(005)	269-067-815	10
Hawkins Point Road Bridge	20.205	BRF-3001(34)E	269-059-815	224,154
Hillen Road - 33rd St. to Cold Spring Ln.	20.205	STP-1231(033)	315-033-815	463,670
Howard Street Bridge Over I-95	20.205	BHF3069(11)E	269-049-815	10,805
I-83 Howard to Eager	20.205	IM-IR-83-1(87)4	243-063-815	217,953
I-83 Rehabilitation - Charles St Bridge over JFX Co #98010	20.205	BRF3071(2)N	269-057-815	1,265,283
I-83 Resurfacing - Howard to Kelly Ave. Bridge	20.205	IM-G-83-1(172)E	243-086-815	3,812,863
I-83 Widening From Eager St.	20.205	IM-0831(173)N	243-087-815	2,877,470
JFX Rehab (Biddle Street Bridge)	20.205	IXG-000S(115)	311-184-815	29,490
Jones Falls Penn Station Access Project	20.205	HP-0400(1)	318-004-815	648
Lafayette Ave. Bridge Over Amtrak	20.205	BHF-3378(001)E	269-064-815	235,243
Lakewood Ave. Storm Drain Extention from Outfall to Dillon St.	20.205	NH-1(312)	316-002-815	22,543
Loch Raven Blvd. - 24th to Gorsuch	20.205	STP-3031(004)	315-037-815	792
North Ave. - Greenmount to Howard	20.205	STP-2811(30)E	315-032-815	21,781
Paper Mill Road Bridge Construction	20.205	DPI-0007(001)	314-001-815	17,005
Park Heights/Northern Parkway	20.205	STP-OOOS(903)E	315-035-815	271,997
Patapsco Ave. Bridge	20.205	BHF-NHG-3009(9)N	269-043-815	5,000
Potee Street Bridge over Conrail RR (PE)	20.205	BHF-119-1(5)	269-020-815	161,284
Radecke Ave. - Frankford to City Line	20.205	STP-3211(001)	315-042-815	3,314
Reisterstown Road Resurfacing	20.205	STP-3017(18)E	315-044-815	953
Repl. PF The Potee St. Bridge	20.205	DPB-BRF-110-1(23)N	314-012-815	1,912,011

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Res Liberty Heights Ave.	20.205	STP-000S(883)E	315-034-815	1,799,549
Sandtown Winchester	20.205	STP-2002 (999)	317-008-815	249,038
Sandtown Winchester - FY2002 Urban Youth Corp Training	20.205	STP-2001 (999)	317-007-815	(12,011)
Traffic Signal Controller Replacement	20.205	AC/HP1263(1)N	318-001-815	856,781
Traffic Signal Reconstruction - Phase II	20.205	STP-G-0005(486)E	315-024-815	160,612
U.S. 40 West Landscaping	20.205	STP-335-1(3)E	AW-809-5125	481,843
Washington Street - North of Monument	20.205	STP-3061(2)	315-038-815	6,688
East-West Transit Connector	20.500	MD-03-0087-00		90,297
Ridesharing	20.512	STPG-CRPL(39)N		(2,614)
Ridesharing	20.512	STPG-CRPL(40)N		33,453
Ridesharing	20.512	STPG-CRPL(41)N		17,923
Ridesharing FY1996	20.512	STPG-CRPL(36)N		(3,033)
Ridesharing FY1997	20.512	STPG-CRPL(37)N		(14,514)
Ridesharing FY1998	20.512	STPG-CRPL(38)N		(10,358)
Ridesharing FY1999	20.512	STPG-CRPL(39)N		(2,400)
TOTAL MARYLAND STATE DEPARTMENT OF TRANSPORTATION				\$22,202,476
TOTAL DEPARTMENT OF TRANSPORTATION				\$22,412,231
DEPARTMENT OF TREASURY				
DIRECT GRANTS				
G.R.E.A.T. Program (Gang Resistance Education & Training)	21 (3-c)	ATC-000069		243,181
TOTAL DIRECT GRANTS				\$243,181
TOTAL DEPARTMENT OF TREASURY				\$243,181
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION				
DIRECT GRANTS				
Equal Employment Opportunity	30.002	7/5010/0004		(42,370)
Equal Employment Opportunity	30.002	9/5010/0004		97,692

**CITY OF BALTIMORE - SINGLE AUDIT
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FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
TOTAL DIRECT GRANTS				\$55,322
TOTAL EQUAL EMPLOYMENT OPPORTUNITY COMMISSION				\$55,322
ENVIRONMENTAL PROTECTION AGENCY				
DIRECT GRANTS				
Back River Plant Odor Control	66.418	C240621-40		60,548
Central Process Monitoring & Control at BR	66.418	C240621-44		6,975
SC728 - New Nitrification/Denitrification	66.418	C240621-43		951,921
SC740 - MOD II - Back River	66.418	C240621-27		7,147
Sludge Thickening at Back River	66.418	C240621-45		390,642
Baltimore Asthma Surveillance	66.609	CJ-983693-01-01		12,669
Community Based Childhood Lead Poisoning Prevention FY2001	66.802	H64/CCH306546-09-02		(196,269)
Brownfield Incentive Fund	66.811	BP993393013		44,052
TOTAL DIRECT GRANTS				\$1,277,685
MARYLAND STATE DEPARTMENT OF THE ENVIRONMENT				
Back River Sludge Dewatering - State Revolving Loan Fund	66.458		WQ98-032-03L	2,533,750
Brooklyn Pumping Station - State Revolving Loan Fund	66.458	52-600769	WQ98-040-03L	9,231
Dundalk Pumping Station - State Revolving Loan Fund	66.458	52-600769	WQ98-040-03L	8,195
Eastern Avenue Pumping Station - State Revolving Loan Fund	66.458		WQ98-041-03L	19,942
PWWTP - Oxygen Reactor Renovation - State Revolving Loan Fund	66.458	52-600769	WQ98-035-03L	697,706
PWWTP - Primary Settling Tank - State Revolving Loan Fund	66.458	52-600769	WQ98-034-03L	38,202
PWWTP-Sludge Processing Facility - State Revolving Loan Fund	66.458	52-600769	C240001-98	312,336
TOTAL MARYLAND STATE DEPARTMENT OF THE ENVIRONMENT				\$3,619,362
TOTAL ENVIRONMENTAL PROTECTION AGENCY				\$4,897,047
DEPARTMENT OF ENERGY				
DIRECT GRANTS				

**CITY OF BALTIMORE - SINGLE AUDIT
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FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
MEAP Administratoin	81.042	R340475-A007		2,875
TOTAL DIRECT GRANTS				\$2,875
MARYLAND STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT				
Weatherization (DOE) FY1997	81.042		SOOP7000732A	1,478
Weatherization Assistance for Low Income Persons	81.042	R340475-A007		632,794
TOTAL MARYLAND STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT				\$634,272
TOTAL DEPARTMENT OF ENERGY				\$637,147
FEDERAL EMERGENCY MANAGEMENT AGENCY				
DIRECT GRANTS				
FEMA Assistance to Fire Fighters	83.554	EMW-2001-FG-00590		194,950
FEMA Assistance to Fire Fighters	83.554	EMW-2002-FG-18684		68,069
TOTAL DIRECT GRANTS				\$263,019
MARYLAND EMERGENCY MANAGEMENT AND CIVIL DEFENSE AGENCY				
SARA Grant	83.012			3,268
Emergency Management Assistance Program FY2002	83.552		210600	14,743
Emergency Management Assistance Program FY2003	83.552		210600	62,509
TOTAL MARYLAND EMERGENCY MANAGEMENT AND CIVIL DEFENSE AGENCY				\$80,520
MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES				
Emergency Food Assistance Program FY2003	83.552		EMP-2003-GR-3503	986,664
TOTAL MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES				\$986,664
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				\$1,330,203
DEPARTMENT OF EDUCATION				
MARYLAND STATE DEPARTMENT OF EDUCATION				

**CITY OF BALTIMORE - SINGLE AUDIT
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FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Infants & Toddlers - Consolidated Local Implementation Grant	84.027		SG030744	(45,516)
Infants & Toddlers - Consolidated Local Implementation Grant	84.027		SG233890	18,978
Infants & Toddlers - Consolidated Local Implementation Grant	84.027		130800	(48)
Infants & Toddlers - Consolidated Local Implementation Grant	84.027		301202	181,630
Infants & Toddlers - Consolidated Local Implementation Grant	84.181		SG233890	115,616
Infants & Toddlers - Consolidated Local Implementation Grant	84.181		301202	1,106,529
Infants & Toddlers - Consolidated Local Implementation Grant	84.181		130800	(293)
Infants & Toddlers - Consolidated Local Implementation Grant	84.181		SG030744	(253,929)
TOTAL MARYLAND STATE DEPARTMENT OF EDUCATION				\$1,122,967
MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE				
Substance Abuse Prevention Program FY2002	84.186		MU 505 ADP	8,457
TOTAL MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE				\$8,457
TOTAL DEPARTMENT OF EDUCATION				\$1,131,424
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
DIRECT GRANTS				
Tuberculosis Control	93.116	U52/CCU300466-21		550,372
Tuberculosis Control	93.116	U52/CCU300466-21		299,144
Tuberculosis Control Program/AIDS FY2000	93.116	U52/CCU300466-19-1		(14,282)
Tuberculosis Elimination and Laboratory	93.116	U52/CCU300466-20-2		40,445
Healthy Schools/Healthy Communities FY2000	93.151	G H2D CS00071/00086		(17,393)
Healthy Schools/Healthy Communities FY2001	93.151	S/2 H2D		61,858
Healthy Schools/Healthy Communities FY2002	93.151	5 H2D CS00071-07		51,267
Healthy Schools/Healthy Communities FY2003	93.151	5 H2D CS00071		457,956
Baltimore Project (OSAP)	93.169	5 H86-SP01158-04		(4)
Comprehensive Treatment of Uninsured City Residents	93.230	1 H79 TI12883-01		888,053
Continuum Care for Uninsured Addicts	93.230	1 H79 TI13853-01		1,341,723
Elementary School Violence Prevention and Intervention	93.230	1 U79 SM53996-01		115,986
Enhanced Linkages for Adolescent Abusers	93.230	5 H79 TI12786-02		165,048

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FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Enhanced Linkages for Adolescent Abusers	93.230	5 H79 TI12786-02		381,451
HIV Prevention Services	93.230	1 H79 TI12687-01		30,395
Tamar Project	93.230	4 U79 SM53820-02-01		247,339
Targeted Capacity Addiction	93.230	5 H79 TI11576-03		192,551
Targeted Capacity Mobile	93.230	1 H79 TI12343-01		331,241
Targeted Capacity Mobile	93.230	1 H79 TI12343-01		(12)
Targeted Capacity Mobile	93.230	1 H79 TI12343-01		195,315
Yana Tamar Project - SAMHSA	93.230	1 U79 SM53820-01		109,695
CDC Chronic Disease	93.283	H75/CCH320022-01-1		350,332
Comprehensive Child Care Services Planning Investment Fund	93.596	NOOP7014324		14,652
CAA Children's Services - Early Head Start FY2002	93.600	03YC0006/04		20,833
CAA Children's Services - Head Start FY2000	93.600	03CH0207/35		(251,694)
CAA Children's Services - Head Start FY2001	93.600	03CH0207/36		(272,828)
CAA Children's Services - Head Start FY2002	93.600	03CH0207/37		2,765,998
CAA Children's Services - Head Start FY2003	93.600	03CH0207/38		25,537,364
HIV Emergency	93.914	2 H89 HA00017		2,496
HIV Emergency	93.914	5 H89 HA00017		3,662,173
HIV Emergency	93.914	5 H89 HA00017-11		15,242,078
HIV Emergency	93.915	2 H89 HA00017-10		123,769
HIV Emergency	93.915	5 H89 HA00017-09		62,982
Healthy Start FY2001	93.926	5 H96 MC00009-09		(50,730)
Healthy Start FY2002	93.926	1 H49 MC00085-01		837,657
Healthy Start FY2003	93.926	5 H49 MC00085-2		444,837
Aids Prevention - Minority Outreach	93.977	H25/CCH322330		75,411
Sexually Transmitted Disease Accelerated Prevention Campaign FY2001	93.977	H25/CCH304322-11-2		166,005
Sexually Transmitted Disease Accelerated Prevention Campaign FY2002	93.977	H25/CCH304322-12		1,446,307
Sexually Transmitted Disease Accelerated Prevention Campaign FY2003	93.977	H25/CCH304322		612,370
STD Translational Research	93.978	U30/CCU317876-03		169,540
TOTAL DIRECT GRANTS				\$56,387,700
MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE				

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Tuberculosis Control	93.116		CH 441 MMC	166,545
Tuberculosis Control	93.116		CH 441 MMC	52,535
Primary Care Cooperative Agreement FY2000	93.130		FH 764 PCC	(2)
Primary Care Cooperative Agreement FY2002	93.130		FH 764 PCC	32,564
Primary Care Cooperative Agreement FY2003	93.130		FH 764 PCC	45,970
Aids Prevention - STD Diversion	93.137	D53MP02102-01-2		332
Pediatric Aids Service Demonstration	93.153		AD 431 HRS	310,633
HIV Integration into Family Planning	93.217		FH 771 HIV	5,980
Reproductive Health/Family Planning	93.217		FH 201 FFP	798,689
Reproductive Health/Family Planning	93.217		FH 201 FFP	(2,634)
Reproductive Health/Family Planning	93.217		FH 201 FFD	(180,058)
Reproductive Health/Family Planning	93.217		FH 201 FFP	263,322
Reproductive Health/Family Planning	93.217		FH 201 FFP	(16,332)
Abstinence Plus Project	93.235		CH 594 TPP	(3,529)
Targeted Capacity Expansion	93.243		AD 627 TCE	788
Baltimore City Immunization Program FY1993	93.268		CH 054 IMM	(36)
Baltimore City Immunization Program FY2000	93.268		CH 054 IMM	(23,006)
Baltimore City Immunization Program FY2001	93.268		CH 054 IMM	(127,422)
Baltimore City Immunization Program FY2002	93.268		CH 054 IMM	97,957
Baltimore City Immunization Program FY2003	93.268		CH 054 IMM	709,120
Immunization - Hepatitis B	93.268		CH 350 IMM	16,497
Immunization - Hepatitis B	93.268		CH 350 IMM	3,820
Immunization - Hepatitis B	93.268		CH 350 IMM	94,746
Maryland Arbovirus Surveillance Pla.	93.283		CH 681 MAS	12,002
Public Health Preparedness and Response to Terrorism	93.283		CH 756 PHP	60,615
Public Health Preparedness and Response to Terrorism	93.283		CH 756 PHP	116,651
Refugee Health - Fee for Services	93.566		CH 412 REF	8,200
Refugee Health - Fee for Services	93.566		CH 412 REF	44,085
Refugee Health - ORR	93.576		CH 732 ORR	2,838
Refugee Health - ORR	93.576		CH 732 ORR	649
Administrative Care Coordination	93.778		MA 005 EPS	184,506

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Administrative Care Coordination	93.778		MA 005 EPS	1,556,791
Administrative Care Coordination	93.778		MA 005 EPS	(231,986)
Administrative Care Coordination	93.778		MA 005 EPS	(11,430)
Administrative Care Coordination	93.778		MA 005 EPS	(61,002)
Administrative Care Coordination	93.778		MA 005 EPS	566,979
General Transportation Services FY2000	93.778		MA 365 GTS	(6,260)
General Transportation Services FY2001	93.778		MA 365 GTS	448,589
General Transportation Services FY2002	93.778		MA 365 GTS	371,670
General Transportation Services FY2003	93.778		MA 365 GTS	2,252,117
Medical Day Care for the Elderly Title XIX	93.778		MA 055 DCE	260,391
PWC Eligibility	93.778		MA 157 ACM	689,315
PWC Eligibility	93.778		MA 157 ACM	73,432
PWC Eligibility	93.778		MA 157 ACM	(282)
Ryan White II - Consortia Services FY2000	93.917		AD 419 CON	3,476
Ryan White II - Consortia Services FY2001	93.917		AD 419 CON	(7,803)
Ryan White II - Consortia Services FY2002	93.917		AD 419 CON	731,323
Ryan White II - Consortia Services FY2003	93.917		AD 419 RWS	2,662,044
Breast & Cervical Cancer Program - Early Detection FY2000	93.919		FH 447 CBC	(12,428)
CDC Breast and Cervical Cancer FY2001	93.919		FH 447 CBC	(250)
Early Detection and Control Breast & Cervical Cancer	93.919		FH 447 EDC	(21,144)
Alcohol and Drug Abuse	93.940		AD 518 ADA	321,740
Alcohol and Drug Abuse	93.940		AD 518 ADA	(7,529)
Community Level Prevention	93.940		AD 610 CLP	3,930
Community Level Prevention	93.940		AD 610 CLP	155,537
Community Level Prevention	93.940		AD 610 CLP	14,995
Health Education and Risk Reduction	93.940		AD 364 HER	(509)
Health Education and Risk Reduction	93.940		AD 364 HER	379,344
Health Education and Risk Reduction	93.940		AD 364 HER	601,190
HIV Partner Notification FY2002	93.940		CH 375 PTR	(26,028)
HIV Partner Notification FY2003	93.940		CH 375 PTR	83,113
Local Prevention Initiatives	93.940		AD 243 CTS	676,799

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Local Prevention Initiatives	93.940		AD 243 CTS	272,314
Local Prevention Initiatives	93.940		AD 243 CTS	(3,676)
Northwest Initiative	93.940		AD 616 NWI	46,493
Prevention Case Management	93.940		AD 520 PCM	713
Prevention Case Management	93.940		AD 520 PCM	96
UJIMA Plus Demonstration Project	93.940		AD 574 UJI	362,989
UJIMA Plus Demonstration Project	93.940		AD 574 UJI	(37,098)
UJIMA Plus Demonstration Project	93.940		AD 574 UJI	(136)
UJIMA Plus Demonstration Project	93.940		AD 574 UJI	903,766
AIDS Surveillance FY2001	93.944		AD 407 SUR	(190)
AIDS Surveillance FY2002	93.944		AD 407 SUR	63,002
AIDS Surveillance FY2003	93.944		AD 407 SUR	138,882
Behavioral Surveillance Research	93.944		AD 626 BSR	2,950
Addiction Services Block Grant FY2000	93.959		AS 019 ABG	21,992
Addiction Services Block Grant FY2003	93.959		AS 019 ABG	18,512
Addiction Services Block Grant FY2003	93.959		AS 019 ABG	3,186,460
Addiction Services Block Grant FY2003	93.959		AS 019 ABG	239
Alcoholism & Drug Block Grant FY2001	93.959		AS 019 ABG	(5,798)
Alcoholism & Drug Block Grant FY2002	93.959		AS 019 ABG	677,773
Prevention Project	93.959		MU 505 ADP	152,340
Substance Abuse Prevention Program FY2002	93.959		MU 505 ADP	31,445
Oral Cancer Prevention	93.991		CH 708 OCP	12,067
Rat Control Program FY2000	93.991		LH 001 RAT	11,301
Rat Control Program FY2002	93.991		LH 001 RAT	72,503
Rat Control Program FY2003	93.991		LH 001 RAT	214,826
State and Community Based Injury Control	93.991		FH 419 IPP	2,000
Care Coordination for SSI Eligible Children FY2000	93.994		FH 421 SSI	(2,310)
Care Coordination for SSI Eligible Children FY2001	93.994		FH 421 SSI	(38)
Care Coordination for SSI Eligible Children FY2002	93.994		FH 421 SSI	12,216
Care Coordination for SSI Eligible Children FY2003	93.994		FH 421 SSI	59,878
Children/Adolescent Health Advocacy Program FY2001	93.994		FH 219 PYD	(19,094)

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
Children/Adolescent Health Advocacy Program FY2002	93.994		FH 219 PYD	18,800
Children/Adolescent Health Advocacy Program FY2003	93.994		FH 219 PYD	120,020
Comprehensive Children and Youth Services FY2000	93.994		FH 022 MCH	(5)
Comprehensive Children and Youth Services FY2001	93.994		FH 022 MCH	20,485
Comprehensive Children and Youth Services FY2002	93.994		FH 022 MCH	326,997
Comprehensive Children and Youth Services FY2003	93.994		FH 022 MCH	1,674,214
CORE Public Health Services - FY2003	93.994	00-1500	CH 560 CFT	801,604
Crenshaw Perinatal Initiative, Phase III	93.994		CH 467 PHI	(6,729)
Improved Pregnancy Outcome	93.994		FH 892 IPO	35,427
Improved Pregnancy Outcome	93.994		FH 892 IPO	17,320
Improved Pregnancy Outcome	93.994		FH 892 IPO	45,599
ITP/Developmental Pediatrics	93.994		CH 487 ITP	36,128
ITP/Developmental Pediatrics	93.994		CH 487 ITP	3,907
Lead Paint Poisoning Prevention FY2000	93.994		FH 181 MCH	(1,782)
Lead Paint Poisoning Prevention FY2001	93.994		FH 181 MCH	(116,706)
Lead Paint Poisoning Prevention FY2002	93.994		FH 181 MCH	195,290
Lead Paint Poisoning Prevention FY2003	93.994		FH 181 MCH	505,508
TOTAL MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE				\$24,014,643
MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES				
Cooperative Reimbursement	93.563		CSEA/CR-02-029	613,393
Cooperative Reimbursement	93.563		CSEA/CR-02-027	469,419
Cooperative Reimbursement	93.563		CSEA/CR-00-030	111,993
Cooperative Reimbursement	93.563		CSEA/CR-01-027	(3,637)
Domestic Relations Masters - Cooperative Reimbursement Agreement	93.563		CSEA/CR-00-030	316
Low Income Energy Assistance Program	93.568		CSA/EA/99-039	170,524
Maryland Energy Assistance Program	93.568		CSA/EA-07/03-039/040	1,848,854
Maryland Energy Assistance Program FY1995	93.568		CSA/EA-07/95-039	20,197
Child-Centered Mediation Project	93.652	90C00935		105,057
TOTAL MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES				\$3,336,116

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
MARYLAND STATE OFFICE ON AGING				
Aging & Retirement Education	93.041		3-24-AAA-002	80,705
Older Americans Act Title III-E	93.043		3-24-AAA-002	337,356
Preventive Health Services Title III-F	93.043		3-24-AAA-002	59,713
Supportive Services Title III-B FY2000	93.044		3-24-AAA-002	2,031,473
Home Delivered Meals Title III-C-2	93.045		3-24-AAA-002	549,373
Nutrition Elderly Title III-C-1	93.045		3-24-AAA-002	1,618,133
Older Refugee Self-Sufficiency Project	93.576		5-24-AAA-002	477,016
Senior Health Insurance Program	93.779		ST-2215-002	15,283
TOTAL MARYLAND STATE OFFICE ON AGING				\$5,169,052
MARYLAND STATE DEPARTMENT OF THE ENVIRONMENT				
Community Based Childhood Lead Poisoning	93.197	H64/CCH306546-01		239,485
Community Based Childhood Lead Poisoning	93.197	H64/CCH306546-01		237,959
Community Based Childhood Lead Poisoning Prevention FY2000	93.197	H64/CCH306546-09		(8,589)
TOTAL MARYLAND STATE DEPARTMENT OF THE ENVIRONMENT				\$468,855
MARYLAND STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT				
Community Services Block Grant FY1994	93.569		C003479Y	(1,428)
Community Services Block Grant FY1998	93.569		SOOP8001050	8,210
Community Services Block Grant FY1999	93.569		SOOP9000874	801
Community Services Block Grant FY2000	93.569		SOOP0200687	6,171
Community Services Block Grant FY2001	93.569		SOOP1200939	92,127
Community Services Block Grant FY2002	93.569		SOOP2201409	1,470,824
Community Services Block Grant FY2003	93.569		SOOP3200665	1,617,061
TOTAL MARYLAND STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT				\$3,193,766
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES				\$92,570,132
CORPORATION FOR NATIONAL & COMMUNITY SERVICE				

**CITY OF BALTIMORE - SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANT/PASS-THROUGH GRANTOR/ GRANT TITLE	FEDERAL CFDA NUMBER	FEDERAL IDENTIFICATION NUMBER (4)	STATE GRANT IDENTIFICATION NUMBER	DISBURSE- MENTS/ EXPEN- DITURES
DIRECT GRANTS				
Retired Senior Volunteer Program FY2000	94.002	440A056/18		1,078
Retired Senior Volunteer Program FY2001	94.002	440A065/19		(197)
Retired Senior Volunteer Program FY2002	94.002	02-SRA-MD-056		71,040
Retired Senior Volunteer Program FY2003	94.002	03-SRA-MD-005-03SR		24,925
Senior Companion Program FY2000	94.016	436A017/10		3,480
Senior Companion Program FY2002	94.016	02-SCA-MD-017		14,058
Senior Companion Program FY2003	94.016	02-SCA-MD-017		312,826
				<hr/>
TOTAL DIRECT GRANTS				\$427,210
				<hr/>
TOTAL CORPORATION FOR NATIONAL & COMMUNITY SERVICE				\$427,210
				<hr/>
TOTAL EXPENDITURE OF FEDERAL AWARDS				<u>\$256,990,639</u>

**CITY OF BALTIMORE SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SUMMARY BY FEDERAL PROGRAM)
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANTOR	FEDERAL PROGRAM TITLE	FEDERAL CFDA NUMBER	DISBURSE- MENTS/ EXPEN- DITURES	PAYMENTS MADE TO SUBRE- CIPIENTS
OFFICE OF NATIONAL DRUG CONTROL POLICY	High Intensity Drug Trafficking Area	07 (3-a)	\$164,499	
DEPARTMENT OF AGRICULTURE	Food Distribution	10.550	38,580	
DEPARTMENT OF AGRICULTURE	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	1,590,876	20,689
DEPARTMENT OF AGRICULTURE	Child and Adult Care Food Program	10.558	6,315,189	
DEPARTMENT OF AGRICULTURE	Summer Food Service Program for Children	10.559	1,287,835	
DEPARTMENT OF AGRICULTURE	Emergency Food Assistance Program (Administrative Costs)	10.568	323,537	
DEPARTMENT OF COMMERCE	Economic Development - Support for Planning Organizations	11.302	20,327	
DEPARTMENT OF COMMERCE	Coastal Zone Management Administration Awards	11.419	55,015	
DEPARTMENT OF COMMERCE	Technology Opportunities	11.552	1,281	
DEPARTMENT OF HOUSING AND URBAN	Community Development Block Grants/ Entitlement Grants	14.218	31,775,379	8,265,097
DEPARTMENT OF HOUSING AND URBAN	Urban Development Action Grants/ Repayments	14.221	29,200	
DEPARTMENT OF HOUSING AND URBAN	Emergency Shelter Grants Program	14.231	1,160,171	1,040,064
DEPARTMENT OF HOUSING AND URBAN	Supportive Housing Program	14.235	6,711,812	5,081,659
DEPARTMENT OF HOUSING AND URBAN	Shelter Plus Care	14.238	3,750,038	3,750,038
DEPARTMENT OF HOUSING AND URBAN	HOME Investment Partnerships Program	14.239	6,972,329	
DEPARTMENT OF HOUSING AND URBAN	Housing Opportunities for Persons with AIDS	14.241	6,381,216	3,559,685
DEPARTMENT OF HOUSING AND URBAN	Innovative Homeless Initiative Demonstration Program	14.245	61,583	
DEPARTMENT OF HOUSING AND URBAN	Community Development Block Grant/Economic Development Initiative	14.246	377,378	
DEPARTMENT OF HOUSING AND URBAN	Community Development Block Grant - Section 108 Loan Guarantees	14.248	4,328,568	
DEPARTMENT OF HOUSING AND URBAN	Demolition and Revitalization of Severely Distressed Public Housing	14.866	(227,986)	
DEPARTMENT OF HOUSING AND URBAN	Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	1,070,502	1,070,502
DEPARTMENT OF INTERIOR	Urban Park and Recreation Recovery Program	15.919	99,498	
DEPARTMENT OF JUSTICE	U.S. Dept. of Justice - Asset Forfeitures	16 (3-b)	630,394	
DEPARTMENT OF JUSTICE	Domestic Preparedness Equipment Support Program	16.007	637,698	
DEPARTMENT OF JUSTICE	Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	212,548	
DEPARTMENT OF JUSTICE	Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	695	
DEPARTMENT OF JUSTICE	Juvenile Justice and Delinquency Prevention - Special Program	16.541	685,150	101,540
DEPARTMENT OF JUSTICE	Justice Research, Development, and Evaluation Project Grants	16.560	152,251	
DEPARTMENT OF JUSTICE	Crime Victim Assistance	16.575	209,470	
DEPARTMENT OF JUSTICE	Byrne Formula Grant Program	16.579	2,490,143	749,932
DEPARTMENT OF JUSTICE	Violence Against Women Formula Grants	16.588	37,733	

**CITY OF BALTIMORE SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SUMMARY BY FEDERAL PROGRAM)
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANTOR	FEDERAL PROGRAM TITLE	FEDERAL CFDA NUMBER	DISBURSE- MENTS/ EXPEN- DITURES	PAYMENTS MADE TO SUBRE- CIPIENTS
DEPARTMENT OF JUSTICE	Grants to Encourage Arrest Policies	16.590	60,794	
DEPARTMENT OF JUSTICE	Local Law Enforcement Block Grants Program	16.592	3,544,232	1,285,465
DEPARTMENT OF JUSTICE	Executive Office for Weed and Seed	16.595	89,190	
DEPARTMENT OF JUSTICE	Community Prosecution and Project Safe Neighborhood	16.609	328,850	
DEPARTMENT OF JUSTICE	Public Safety Partnership and Community Policing Grants	16.710	16,549,906	
DEPARTMENT OF JUSTICE	Police Corps	16.712	820,717	
DEPARTMENT OF LABOR	Senior Community Service Employment Program	17.235	330,831	
DEPARTMENT OF LABOR	Employment and Training Assistance - Dislocated Workers	17.246	1,276,835	1,027,579
DEPARTMENT OF LABOR	Employment and Training Research and Development Projects	17.248	(189)	
DEPARTMENT OF LABOR	Employment Services and Job Training - Pilot and Demonstration Programs	17.249	77,147	71,813
DEPARTMENT OF LABOR	Job Training Partnership Act	17.250	(224,592)	
DEPARTMENT OF LABOR	Welfare-To-Work Grants to States and Localities	17.253	3,063,092	2,201,514
DEPARTMENT OF LABOR	Workforce Investment Act Adult Program, Youth Activities, and Dislocated Workers	17.258	7,083,591	2,889,572
DEPARTMENT OF LABOR	Workforce Investment Act Youth Program	17.259	3,994,583	2,236,933
DEPARTMENT OF LABOR	Workforce Investment Act Dislocated Workers	17.260	3,582,910	1,331,037
DEPARTMENT OF LABOR	Employment and Training Admin. Pilots, Demonstrations, and Research Projects	17.261	278,950	148,080
DEPARTMENT OF LABOR	Youth Opportunity Grants	17.263	15,086,986	7,358,987
DEPARTMENT OF TRANSPORTATION	Highway Planning and Construction	20.205	22,093,722	
DEPARTMENT OF TRANSPORTATION	Federal Transit Capital Improvement Grants	20.500	90,297	
DEPARTMENT OF TRANSPORTATION	Federal Transit Technical Studies Grants	20.505	106,887	
DEPARTMENT OF TRANSPORTATION	Federal Transit Technical Assistance	20.512	18,457	
DEPARTMENT OF TRANSPORTATION	State and Community Highway Safety	20.600	110,568	
DEPARTMENT OF TRANSPORTATION	Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	(7,700)	
DEPARTMENT OF TREASURY	Gang Resistance Education and Training	21 (3-c)	243,181	
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION	Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	30.002	55,322	
ENVIRONMENTAL PROTECTION AGENCY	Construction Grants for Wastewater Treatment Works	66.418	1,417,233	
ENVIRONMENTAL PROTECTION AGENCY	Capitalization Grants for State Revolving Funds	66.458	3,619,362	
ENVIRONMENTAL PROTECTION AGENCY	Protection of Children & the Aging as a Fundamental Goal of Public Health & Envir. Protection	66.609	12,669	12,669
ENVIRONMENTAL PROTECTION AGENCY	Superfund State Site - Specific Cooperative Agreements	66.802	(196,269)	
ENVIRONMENTAL PROTECTION AGENCY	Brownfield Pilots Cooperative Agreements	66.811	44,052	
DEPARTMENT OF ENERGY	Weatherization Assistance for Low-Income Persons	81.042	637,147	127,881

**CITY OF BALTIMORE SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SUMMARY BY FEDERAL PROGRAM)
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANTOR	FEDERAL PROGRAM TITLE	FEDERAL CFDA NUMBER	DISBURSE- MENTS/ EXPEN- DITURES	PAYMENTS MADE TO SUBRE- CIPIENTS
FEDERAL EMERGENCY MANAGEMENT AGENCY	Hazardous Materials Assistance Program	83.012	3,268	
FEDERAL EMERGENCY MANAGEMENT AGENCY	Emergency Management Performance Grants	83.552	1,063,916	
FEDERAL EMERGENCY MANAGEMENT AGENCY	Assistance to Firefighters Grant	83.554	263,019	
DEPARTMENT OF EDUCATION	Special Education - Grants to States	84.027	155,044	
DEPARTMENT OF EDUCATION	Special Education - Grants for Infants and Families with Disabilities	84.181	967,923	850,768
DEPARTMENT OF EDUCATION	Safe and Drug-Free Schools and Communities	84.186	8,457	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Title VII, Chapter 2 - Ombudsman	93.041	80,705	76,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Special Programs for the Aging-Title III, Part F - Disease Prevention and Health Promotion	93.043	397,069	16,642
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Special Programs for the Aging-Title III, Part B - Grants for Supportive Svcs & Senior Centers	93.044	2,031,473	903,130
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Special Programs for the Aging-Title III, Part C - Nutrition Services	93.045	2,167,506	494,052
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Project Grants and Cooperative Agreements for Tuberculosis Control Program	93.116	1,094,759	388,700
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Primary Care Services - Resource Coordination and Development Primary Care Offices	93.130	78,532	30,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Community Programs to Improve Minority Health Grant Program	93.137	332	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Health Center Grants for Homeless Populations	93.151	553,688	88,375
DEPARTMENT OF HEALTH AND HUMAN SERVICES	HIV Demonstration Program for Children, Adolescents, and Women	93.153	310,633	303,433
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Model Projects for Pregnant and Postpartum Women and Their Infants	93.169	(4)	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Childhood Lead Poisoning Prevention Projects	93.197	468,855	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Family Planning - Services	93.217	868,967	171,407
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Consolidated Knowledge Development and Application Program	93.230	3,998,785	3,917,090
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Abstinence Education	93.235	(3,529)	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	788	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Immunization Grants	93.268	771,676	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	539,600	368,456
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Child Support Enforcement	93.563	1,191,484	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Refugee and Entrant Assistance - State Administered Program	93.566	52,285	52,285
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Low-Income Home Energy Assistance	93.568	2,039,575	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Community Services Block Grant	93.569	3,193,766	110,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Refugee and Entrant Assistance - Discretionary Grants	93.576	480,503	3,487
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Child Care Mandatory and Matching Funds of the Child Care and Development	93.596	14,652	12,802
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Head Start	93.600	27,799,673	27,799,673
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Adoption Opportunities	93.652	105,057	

**CITY OF BALTIMORE SINGLE AUDIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SUMMARY BY FEDERAL PROGRAM)
FISCAL YEAR ENDED JUNE 30, 2003**

FEDERAL GRANTOR	FEDERAL PROGRAM TITLE	FEDERAL CFDA NUMBER	DISBURSE- MENTS/ EXPEN- DITURES	PAYMENTS MADE TO SUBRE- CIPIENTS
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Medical Assistance Program	93.778	6,092,830	4,367,857
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Health Care Financing Research, Demonstrations and Evaluations	93.779	15,283	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	HIV Emergency Relief Project Grants	93.914	18,906,747	18,906,747
DEPARTMENT OF HEALTH AND HUMAN SERVICES	HIV Emergency Relief Formula Grants	93.915	186,751	131,542
DEPARTMENT OF HEALTH AND HUMAN SERVICES	HIV Care Formula Grants	93.917	3,389,040	3,250,822
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Cooperative Agreements for State-Based Comprehensive Breast & Cervical Cancer	93.919	(33,822)	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Healthy Start Initiative	93.926	1,231,764	1,203,758
DEPARTMENT OF HEALTH AND HUMAN SERVICES	HIV Prevention Activities - Health Department Based	93.940	3,748,043	2,321,780
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Human Immunodeficiency Virus/Acquired Immunodeficiency Virus Syndrome Surveillance	93.944	204,644	138,275
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Block Grants for Prevention and Treatment of Substance Abuse	93.959	4,082,963	4,082,963
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	2,300,093	1,054,164
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Preventive Health Services - Sexually Transmitted Diseases Research and Demonstrations	93.978	169,540	169,540
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Preventive Health and Health Services Block Grant	93.991	312,697	
DEPARTMENT OF HEALTH AND HUMAN SERVICES	Maternal and Child Health Services Block Grant to the States	93.994	3,726,729	3,726,729
CORPORATION FOR NATIONAL & COMMUNITY SERVICE	Retired and Senior Volunteer Program	94.002	96,846	
CORPORATION FOR NATIONAL & COMMUNITY SERVICE	Senior Companion Program	94.016	330,364	
TOTAL ALL PROGRAMS			<u>\$256,990,639</u>	<u>\$117,271,213</u>

**CITY OF BALTIMORE - SINGLE AUDIT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

1. We have defined Active Federal Financial Assistance as follows:
Active Operating Grant - Any operating grant having current fiscal year 2003 expenditures.
Active Project Grant - Any project grant having current fiscal year 2003 expenditures.
Other Financial Assistance - Any contract, loan, loan guarantee, property, cooperative agreement, interest subsidy, insurance or direct appropriation having current fiscal year 2003 disbursements.
2. Our Federal Financial Assistance sample plan is as follows (dollar threshold to distinguish between Type A and Type B programs is \$3,000,000) :

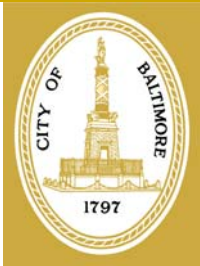
	<u>Federal CFDA Number</u>	<u>Federal Program Title</u>	<u>Number of Awards</u>	<u>Current Expenditures Per Accounting Records</u>
Total Schedule			<u>522</u>	<u>\$256,990,639</u>
Major Federal Programs	10.558	Child and Adult Care Food Program	8	\$6,315,189
	14.218	Community Development Block Grants/ Entitlement Grants	17	31,775,379
	14.235	Supportive Housing Program	9	6,711,812
	14.238	Shelter Plus Care	6	3,750,038
	14.239	HOME Investment Partnerships Program	5	6,972,329
	14.241	Housing Opportunities for Persons with AIDS	9	6,381,216
	14.248	Community Development Block Grant - Section 108 Loan Guarantees	7	4,328,568
	16.592	Local Law Enforcement Block Grants Program	5	3,544,232
	16.710	Public Safety Partnership and Community Policing Grants	9	16,549,906
	17.253	Welfare-To-Work Grants to States and Localities	3	3,063,092
	17.258/259/260	Workforce Investment Act Adult Program, Youth Activities, and Dislocated	44	14,661,084
	17.263	Youth Opportunity Grants	10	15,086,986
	20.205	Highway Planning and Construction	42	22,093,722
	93.044/93.045	Special Programs for the Aging, Title III, Part B & C	3	4,198,979
	93.230	Consolidated Knowledge Development and Application Program	12	3,998,785
	93.569	Community Services Block Grant	7	3,193,766
	93.600	Head Start	5	27,799,673
	93.778	Medical Assistance Program	14	6,092,830
	93.914/93.915	HIV Emergency Relief Projects / Formula Grants	5	19,093,498
	93.917	HIV Care Formula Grants	4	3,389,040
	93.940	HIV Prevention Activities - Health Department Based	20	3,748,043
	93.959	Block Grants for Prevention and Treatment of Substance Abuse	8	4,082,963
	93.977	Preventive Health Services - Sexually Transmitted Diseases Control Grants	4	2,300,093
	93.994	Maternal and Child Health Services Block Grant to the States	22	3,726,729
Total Audit Coverage			<u>278</u>	<u>\$222,857,952</u>
% of Total Schedule			<u>53.3%</u>	<u>86.7%</u>

**CITY OF BALTIMORE - SINGLE AUDIT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2003**

3. These programs have no CFDA Number. The fund sources are as follows:
 - (a) Federal assistance to the City was funded by the Office of National Drug Control Policy.
 - (b) Federal assistance to the City was funded by the forfeited property program Drug Enforcement Administration.
 - (c) Federal assistance to the City was funded by the United States Department of the Treasury.
4. In those instances where no federal grant identification is shown, it is because this information could not be determined.
5. All federal CFDA numbers were updated to reflect revisions as of the June 2003 Catalog of Federal Domestic Assistance.
6. The Emergency Food Assistance Program (CFDA Number 10.568) on page 2 of this schedule, reflects the value of commodities distributed to the City from the Maryland State Department of Human Resources.

PART IV

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE



**AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

February 27, 2004

Honorable Joan M. Pratt, Comptroller
And Other Members of the
Board of Estimates of the
City of Baltimore

Compliance

We have audited the compliance of the City of Baltimore, Maryland, with the types of requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2003. The City of Baltimore, Maryland's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Baltimore, Maryland's management. Our responsibility is to express an opinion on the City of Baltimore, Maryland's compliance based on our audit.

The City of Baltimore, Maryland's basic financial statements include the operations of the Baltimore City Public School System and the Enoch Pratt Free Library, which incurred a total of \$116,910,016, in federal expenditures during the year ended June 30, 2003. Our audit, described below, did not include the operations of the Baltimore City Public School System and the Enoch Pratt Free Library because they are subject to separate audits in accordance with Federal and State requirements, and separate reports thereon for fiscal year 2003 have been previously issued.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we

plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Baltimore, Maryland's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Baltimore, Maryland's compliance with those requirements.

In our opinion, the City of Baltimore, Maryland complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 03-1 through 03-10.

Internal Control Over Compliance

The management of the City of Baltimore, Maryland is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Baltimore, Maryland's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City of Baltimore, Maryland's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 03-11 and 03-12.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable

conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended solely for the information and use of the above specified parties, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Yovonda D. Brooks, CPA
City Auditor

PART V

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003

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CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003

Section I - Summary of Auditors' Results

Part I – Comprehensive Annual Financial Report

Type of auditors' report issued:

Unqualified opinion

**Part II – Auditors' Report on Compliance and Internal Control
Over Financial Reporting**

Internal control over financial reporting:

Material weaknesses identified?

_____ Yes X No

Reportable conditions identified that are not considered
to be material weaknesses?

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

**Part III - Supplementary Schedule of Expenditures of Federal
Awards**

Type of auditor's report issued:

Unqualified opinion

**Part IV – Auditor's Report on Compliance with Requirements
Applicable to Each Major Program and on Internal
Control over Compliance**

Internal control over major programs:

Material weaknesses identified?

_____ Yes X No

Reportable conditions identified that are not considered
to be material weaknesses?

X Yes _____ None reported

Type of auditor's report issued on compliance for major
programs?

Unqualified opinion

Any audit findings disclosed that are required to be reported in
accordance with Section 510(a) or Circular A-133?

X Yes _____ No

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Part IV – Auditor’s Report on Compliance with Requirements
Applicable to Each Major Program and on Internal
Control over Compliance (continued)

Identification of major programs:

<u>CFDA</u> <u>Number</u>	<u>Title</u>
10.558	Child and Adult Care Food Program
14.218	Community Development Block Grants/ Entitlement Grants
14.235	Supportive Housing Program
14.238	Shelter Plus Care
14.239	HOME Investment Partnership Program
14.241	Housing Opportunities for Persons with AIDS
14.248	CDBG – Section 108 Loan Guarantees
16.592	Local Law Enforcement Block Grants Program
16.710	Public Safety Partnership and Community Policing Grants
17.253	Welfare-To-Work Grants to States and Localities
17.258/259/260	Workforce Investment Act - Adult Programs, Youth Activities, Dislocated Workers
17.263	Youth Opportunity Grants
20.205	Highway Planning and Construction
93.044 / 93.045	Special Programs for the Aging -Title III, Part B-Grants for Supportive Serv. and Sr. Ctr. Special Programs for the Aging -Title III, Part C – Nutrition Services
93.230	Consolidated Knowledge Development and Application Program
93.569	Community Services Block Grant
93.600	Head Start
93.778	Medical Assistance Program
93.914 / 93.915	HIV Emergency Relief Projects Grants
93.917	HIV Care Formula Grants
93.940	HIV Prevention Activities – Health Department Based
93.959	Block Grant for Prevention and Treatment of Substance Abuse
93.977	Preventive Health Services – Sexually Transmitted Diseases Control Grants
93.994	Maternal and Child Health Services Block Grant to the States

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? X Yes No

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Section II – Financial Statement Findings

There are no reportable conditions, material weaknesses, or instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Section III – Federal Award Findings and Questioned Costs

Compliance With Requirements Applicable to Each Major Program

Finding #: 03-1
CFDA #: 14.235, 14.241, 16.592, 17.253, 17.258/259/260, 17.263
Program Titles: Supportive Housing Program
Housing Opportunities for Persons with AIDS (HOPWA)
Local Law Enforcement Block Grants Program
Welfare-to-Work
Workforce Investment Act
Youth Opportunity Grant
Federal Agency: Various
Federal Award #: Various
Pass-Through: Various

City Agencies Were Not Adhering to Federal Requirements Regarding External Monitoring of Subrecipients

The Federal Common Rule, Subpart C, Section .26, requires grant recipients to: (i) determine whether their subrecipients that expend \$300,000 or more in federal awards have been audited in accordance with the Office of Management and Budget (OMB) Circular A-133; (ii) issue timely management decisions on audit findings; (iii) ensure that appropriate corrective action is taken by the subrecipient within six months after receipt of an audit report; and (iv) consider whether the subrecipient audits necessitate adjustment of the City's records.

The Department of Housing and Community Development (DHCD) administers federal program numbers 14.235 – Supportive Housing Program and 14.241 – Housing Opportunities for Persons with AIDS (HOPWA). During fiscal year 2003, 10 of DHCD's 23 subrecipients did not have the required financial and compliance audits performed.

The Mayor's Office of Criminal Justice (MOCJ) administers federal program number 16.592 – Local Law Enforcement Block Grants Program. During fiscal year 2003, two of MOCJ's three subrecipients had the required financial and compliance audits performed, but MOCJ did not obtain and review them. The third subrecipient did not have the required financial and compliance audit performed.

The Mayor's Office of Employment Development (MOED) administers federal program numbers 17.253 – Welfare-to-Work, 17.258/259/260 – Workforce Investment Act and

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

17.263 – Youth Opportunity Grant. During fiscal year 2003, four of MOED's 23 subrecipients did not have the required financial and compliance audits performed.

We recommend that all City agencies receive audit reports from subrecipients required to have an audit in accordance with OMB Circular A-133, issue timely management decisions on audit findings, and require subrecipients to take timely corrective action on deficiencies identified in audits. We also recommend that the effects of subrecipient noncompliance be properly reflected in the City's records.

Responses:

The Department of Housing and Community Development, Mayor's Office of Criminal Justice and Mayor's Office of Employment Development concur with this finding and their corrective action plans are included in Part VII – Auditee's Corrective Action Plan on Current Audit Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-2
CFDA #: 17.253, 17.258/259/260, 17.263
Program Titles: Welfare-to-Work
Workforce Investment Act
Youth Opportunity Grant
Federal Agency: Department of Labor
Federal Award #: Various
Pass-Through: Various

City Agencies Were Not Adhering to Federal Requirements Regarding Internal Monitoring of Subrecipients

The Federal Common Rule, Subpart C, Section .40, requires the grantee to monitor and report program performance. The grantee has the responsibility to monitor itself and its subrecipients, and to report to the federal agency on a scheduled and “as-needed” basis.

The Mayor’s Office of Employment Development (MOED) administers federal program number 17.253 – Welfare-to-Work, 17.258/259/260 – Workforce Investment Act and 17.263 – Youth Opportunity Grant. During fiscal year 2003, MOED did not demonstrate consistency in monitoring subrecipient activities regarding administration of federal awards.

We recommend that the Mayor’s Office of Employment Development strictly adhere to federal guidelines regarding monitoring of subrecipients as required by the Federal Common Rule, Subpart C, Section .40.

Response:

The Mayor’s Office of Employment Development concurs with this finding and its corrective action plan is included in Part VII – Auditee’s Corrective Action Plan on Current Audit Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-3
CFDA #: 10.558, 14.218, 14.241, 16.710
Program Titles: Referenced below
Federal Agency: Various
Federal Award #: Various
Pass-Through: Various

Financial Reports Were Not Supported by the Underlying Accounting Records

The Office of Management and Budget Circular A-133 requires the auditor to determine whether financial reports, submitted to account for federal financial assistance, contain information that is supported by the books and records from which the basic financial reports have been prepared.

As part of our fiscal year 2003 audit, we selected sixty-four federal financial reports for active awards within all major federal programs, and reviewed and compared these to the underlying books and records. Of those reviewed, the following final financial reports could not be reconciled to the City's accounting records:

<u>PROGRAM TITLE</u>	<u>FEDERAL/ STATE ID NUMBER</u>	<u>REPORT PERIOD</u>	<u>(REV) / EXP REFLECTED ON REPORT</u>	<u>(REV) / EXP PER CITY'S ACCOUNTING RECORDS</u>	<u>(OVER) / UNDER REPORTED</u>
CFDA #10.558 Child and Adult Care Food Program	014-220	11/1/02-11/30/02	\$45,829	\$39,981	\$(5,848)
CFDA # 14.218 Community Development Block Grants	B01-MC-24-0010	7/1/01-6/30/02	(7,053,627)	(7,073,627)	20,000 (A)

(A) DHCD under-reported program income in the fiscal year 2002 Grantee Progress Report.

We determined that expenditures for the above federal financial reports did not reconcile to the City's accounting records thus resulting in misstatements of expenditures.

We also reviewed interim reports prepared by the Baltimore City Police Department (BCPD) for seven grants within federal program number 16.710 – Public Safety Partnership and Community Policing Grants. Four of the seven grants had interim reports that did not reconcile to the City's accounting records.

We recommend that future federal financial reports be prepared directly from the City's accounting records.

The Department of Housing and Community Development, Office of Homeless Services (OHS) administers federal program number 14.241 - Housing Opportunities for Persons with AIDS (HOPWA). The OHS was unable to provide us a copy of the Annual Progress

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Report (APR) for the HOPWA grant (Federal ID# MD06H97-0045) for the grant period from July 1, 2001 through June 30, 2002. The OHS personnel stated that the APR was submitted to the Department of Housing and Urban Development (HUD) electronically and a hard copy was not retained. The OHS attempted to obtain a copy of the APR from HUD but was not successful. We therefore, were unable to determine OHS compliance with financial reporting requirements. Total costs accumulated in the City's accounting records for this grant amounted to \$3,456,207 as of June 30, 2002.

We recommend that the Department of Housing and Community Development, Office of Homeless Services continue to request copies of the missing APR from HUD and that hard copies of future APRs be retained for audit purposes.

Responses:

The Baltimore City Health Department, Department of Housing and Community Development and Baltimore City Police Department concur with this finding and their corrective action plans are included in Part VII – Auditee's Corrective Action Plan on Current Audit Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-4
CFDA #: 14.238, 16.592, 93.044/045, 93.600, 93.917, 93.940, 93.977
Program Titles: Reference below
Federal Agency: Various
Federal Award #: Various
Pass-Through: Various

Financial Reports Were Not Submitted in a Timely Manner

The Common Rule, Subpart C, Section .41, sets forth uniform reporting requirements including the timing, frequency and format of financial reports prepared and submitted by grant recipients. Of the sixty-four financial reports selected for review, we found that seventeen of these reports had significant deviations with regard to the timing requirement as follows:

<u>PROGRAM TITLE</u>	<u>FEDERAL GRANT NUMBER</u>	<u>STATE GRANT NUMBER</u>	<u>DATE OF REQUIRED REPORT SUBMISSION</u>	<u>DATE REPORT WAS SUBMITTED</u>
<u>CFDA #14.238</u>				
McVet & Project PLASE	MD06C93-1128		12/31/02	3/7/03
Women Housing Center	MD06C93-1128		12/31/02	2/11/03
Project PLASE	MD06C94-0123		9/30/02	11/22/02
AIRS Project PLASE	MD06C95-0143		9/30/02	2/11/03
Prisoners Aid Association	MD06C901-023		7/30/02	10/25/02
Dayspring	MD06C001-022		5/30/02	9/6/02
Family & Children Services	MD06C001-031		5/30/02	8/29/02
<u>CFDA #16.592</u>				
LLEBG IV	2000-LB-VX-0446		10/30/02	Not Yet Submitted
LLEBG V	2000-LB-BX-2532		6/30/03	Not Yet Submitted
<u>CFDA # 93.044/045</u>				
Grants for Supportive Services and Senior Centers		3-24-AAA-002	12/31/02	Not Yet Submitted
<u>CFDA #93.600</u>				
Head Start	03CH0207/36		9/30/01	5/12/03
Head Start	03YC0006/03		9/30/02	9/30/03
<u>CFDA #93.917</u>				
Ryan White II		AD419CON	8/30/02	10/3/02
<u>CFDA # 93.940</u>				
HIV Prevention Activities		AD574UJI	8/31/02	3/31/03
		AD243CTS	8/31/02	1/13/03
		AD364HER	8/31/02	3/31/03
<u>CFDA #93.977</u>				
Sexually Transmitted Disease Accelerated Prevention	H25/CCH304322		3/31/03	7/18/03

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

We recommend that the City make an effort to meet future timing deadlines through appropriate staffing and workload scheduling and by establishing and enforcing strict timing requirements. Additionally, we recommend improving the computerized tracking of grants from the date of completion of a project and/or the end of the grant period to the date of required submission. Staff will then be more aware of the time frame remaining to submit the report.

Responses:

The Department of Housing and Community Development, Mayor's Office of Criminal Justice, Commission on Aging and Retirement Education and Baltimore City Health Department concur with this finding and their corrective action plans are included in Part VII – Auditee's Corrective Action Plan on Current Audit Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-5
CFDA #: 17.258/259/260, 93.230, 93.600, 93.778, 93.914/915, 93.917, 93.940, 93.994
Program Titles: Workforce Investment Act
Consolidated Knowledge Development & Application Program
Head Start
Medical Assistance Program
HIV Emergency Relief Project Grants
HIV Care Formula Grants
HIV Prevention Activities
Maternal & Child Health Services Block Grant to the States
Federal Agency: Various
Federal Award #: Various
Pass-Through: Various

Obligations Incurred Were Not Liquidated Within 90 Days of the End of the Funding Period

The Federal Common Rule, Subpart C, Section .23, requires that when a funding period is specified, a grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period.

During the fiscal year 2003 audit, we determined that eight major federal programs did not meet the 90-day liquidation requirement; however, the amounts identified for these programs after the liquidation period were otherwise allowable costs. Since the City's procedures for acquiring, paying and accounting for items and services frequently require greater than 90 days to liquidate, there are no associated questioned costs.

The Mayor's Office of Employment Development administers federal program numbers 17.258/259/260 – Workforce Investment Act. For fiscal year 2003, costs in the amount of \$47,071 were not in compliance with the 90-day liquidation requirement

The Department of Housing and Community Development administers federal program number 93.600 – Head Start. For fiscal year 2003, costs in the amount of \$874,398 were not in compliance with the 90-day liquidation requirement.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

For fiscal year 2003, the following Baltimore City Health Department federal programs and amounts were not in compliance with the 90-day liquidation requirement:

<u>Federal Program #</u>	<u>Amount</u>
93.230	\$888,053
93.778	158,551
93.914/915	184,987
93.917	188,324
93.940	526,025
93.994	101,827

We recommend that the City comply with stated requirements and liquidate obligations within 90 days after the end of the funding period.

Responses:

The Mayor's Office of Employment Development, Department of Housing and Community Development, and Baltimore City Health Department concur with this finding and their corrective action plans are included in Part VII – Auditee's Corrective Action Plan on Current Audit Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-6
CFDA #: 16.592
Program Title: Local Law Enforcement Block Grants Program
Federal Agency: Department of Justice
Federal Award #: 2000-LB-VX-0446, 2000-LB-BX-2532, 2001-LB-BX-2915
Pass-Through: None

Interest Earned on Advanced Grant Funds Was Not Properly Credited to the Program

Grant funds under the Local Law Enforcement Block Grant (LLEBG) are received in advance, with the provision that such funds be placed in an interest bearing account. The grant award requires only allowable program expenses to be paid from the interest earned and the funds may not be utilized to pay debts incurred by other activities beyond the scope of the LLEBG Program.

The Mayor's Office of Criminal Justice (MOCJ) administers federal program number 16.592 – Local Law Enforcement Block Grants Program. In our test of interest earned on LLEBG funds, we noted that the City processed a number of adjustments, which transferred program expenditures between program years. As a result, we could not verify that the expenditures used to calculate interest earnings were appropriate and supported by the City's accounting records. We could not determine if federal cash balances eligible for investment were accurately calculated and whether the City's resulting interest earnings calculation was reliable. The City is in the process of determining the appropriate amount of interest available to the LLEBG Program.

We recommend that the Bureau of Accounting and Payroll Services (BAPS) demonstrate that interest calculations are based on appropriate expenditures that are supported by the City's accounting records. Additionally, MOCJ and BAPS should coordinate their efforts to ensure that the program is properly credited for interest earned and all funds are accounted for in the future.

Responses:

The Mayor's Office of Criminal Justice and Bureau of Accounting and Payroll Services concur with this finding and their corrective action plans are included in Part VII – Auditee's Corrective Action Plan on Current Audit Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-7
CFDA #: 16.592, 16.710
Program Title: Local Law Enforcement Block Grants Program
Public Safety Partnership and Community Policing Grants
Federal Agency: Department of Justice
Federal Award #: 2000-LB-VX-0446, 2000-LB-BX-2532
Pass-Through: None

Equipment Records Were Inadequate

The Federal Common Rule, Subpart C, Section .32 requires property records to be maintained accurately and include a description of the property, inventory identification numbers, the source of the property, who holds title, acquisition date, cost, location, use, condition and disposition of the property.

The Mayor's Office of Criminal Justice (MOCJ) administers federal program number 16.592 – Local Law Enforcement Block Grants Program (LLEBG) and the Baltimore City Police Department (BCPD) administers federal program number 16.710 – Public Safety Partnership and Community Policing Grants. During fiscal year 2003, the MOCJ and BCPD purchased a significant amount of equipment but were unable to provide inventory listings to demonstrate compliance with this requirement.

We recommend that the Mayor's Office of Criminal Justice and Baltimore City Police Department develop appropriate property records to comply with the requirements set forth in Federal Common Rule, Subpart C, Section .32.

Response:

The Mayor's Office of Criminal Justice and Baltimore City Police Department concur with this finding and their corrective action plan is included in Part VII – Auditee's Corrective Action Plan on Current Audit Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-8
CFDA #: 20.205
Program Title: Highway Planning and Construction
Federal Agency: Department of Transportation
Federal Award #: Various
Pass-Through: Maryland State Highway Administration

Unallowable Costs Charged to the Program

Office of Management and Budget Circular A-87 prescribes standards for financial management systems incorporating grant accounting and allowable costs provisions.

The City Department of Transportation (DOT) administers federal program number 20.205 – Highway Planning and Construction. The DOT and Bureau of Accounting and Payroll Services (BAPS) prepared consolidated billing reports based on costs recorded in the City's accounting records for program number 20.205. These reports were used to request reimbursement from the Maryland State Highway Administration. We have determined that the consolidated billing reports contained the following unallowable costs:

1. Contractor retainages amounting to \$297,130 were included twice in the City's accounting records and in the consolidated billing reports.
2. Retainages amounting to \$5,692 were recorded in the City's accounting records as nonparticipating but were included in the consolidated billing reports as participating.
3. Payments to contractors amounting to \$197,777 were recorded in the City's accounting records and the consolidated billing reports as participating, but appear to be nonparticipating based on supporting documents such as bid tabulations and contractors' estimates.

We are questioning \$500,599 in unallowable costs charged to federal program number 20.205. We recommend that the DOT and BAPS reduce costs included in the consolidated billing reports by \$500,599 and implement procedures to ensure that retainages are not recorded twice in the City's accounting records and that participating and nonparticipating costs are allocated and recorded in accordance with the grant agreements.

Responses:

The Office of Transportation and Bureau of Accounting and Payroll Services concur with this finding and their corrective action plans are included in Part VII – Auditee's Corrective Action Plan on Current Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-9
CFDA #: 93.230
Program Title: Comprehensive Treatment for Uninsured City Residents,
Coordinated Treatment for Underserved Substance Abusers,
Enhanced Linkage for Adolescent Substance Abusers
Federal Agency: Department of Health and Human Services
Federal Award #: 1H79TI12883-01, 5H79TI12786-02, 5H79TI12343-03
Pass-Through: None

Progress Reports Were Not Submitted

The Public Health Services Grants Policy Statement and 45 CFR Parts 74 and 92 require the grant recipient to submit quarterly progress reports to the Department of Health and Human Services. A final report must be submitted within 90 days after the expiration of the grant. The reports should include a summary of progress toward achievement of the original goals, a list of significant results and a list of publications resulting from the project.

The Baltimore City Health Department (BCHD) administers federal program number 93.230 – Consolidated Knowledge Development and Application Program. The BCHD did not submit any progress reports during the audit period.

We recommend that the Baltimore City Health Department implement procedures to ensure that progress reports are submitted as required.

Responses:

The Baltimore City Health Department concurs with this finding and its corrective action plan is included in Part VII – Auditee’s Corrective Action Plan on Current Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-10
CFDA #: 93.230
Program Title: Continuing Care of Uninsured Addicts
Federal Agency: Department of Health and Human Services
Federal Award #: 1H79TI13853-01
Pass-Through: None

Federal Grant Receipts Were in Excess of Needs

The Federal Common Rule, Subpart C, Section 22(a), requires the grant recipient to minimize the time elapsed between the transfer of Federal funds from the U.S. Treasury and its disbursement.

The Baltimore City Health Department (BCHD) administers federal program number 93.230 – Consolidated Knowledge Development and Application Program. The BCHD drew down \$1,509,907 for the Continuing Care of Uninsured Addicts grant but disbursed only \$1,341,723. As a result the City received an excess of Federal funding amounting to \$168,184.

We recommend that the Baltimore City Health Department implement procedures to minimize the time elapsed between the transfer of Federal funds from the U.S. Treasury and its disbursement. We also recommend that the City return excess funds of \$168,184 to the U.S. Treasury.

Responses:

The Baltimore City Health Department concurs with this finding and its corrective action plan is included in Part VII – Auditee’s Corrective Action Plan on Current Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Internal Control Over Compliance

Finding #: 03-11
CFDA #: 20.205
Program Title: Highway Planning and Construction
Federal Agency: Department of Transportation
Federal Award #: Various
Pass-Through: Maryland State Highway Administration

Reimbursement Billing Reports Were Not Consistently Prepared in Accordance With Program Requirements

The Federal Common Rule, Subpart C, Section 20 (b) (7), requires entities to establish procedures to insure complete and accurate cash transactions reported for reimbursement.

The City Department of Transportation (DOT) administers federal program number 20.205 – Highway Planning and Construction. Based on our review, we have determined that the DOT did not consistently prepare the consolidated billing reports in accordance with program requirements:

1. The DOT requested reimbursement from the Maryland State Highway Administration (SHA) for retainages that were not to be paid to contractors until the work was completed and the warranty period had expired.
2. Award amounts included in the City's consolidated billing reports did not always agree with the Letters of Concurrence or Authorization Agreements received from the SHA.
3. Costs included in the City's consolidated billing reports did not always agree with costs recorded in the City's accounting records.
4. Costs were not always charged to the correct project in the City's accounting records.
5. Grant revenues were not reconciled to the City's accounting records.

We recommend that the DOT and the Bureau of Accounting and Payroll Services (BAPS) implement procedures to ensure that the consolidated billing reports are complete, accurate and agree with the City's accounting records.

Responses:

The Office of Transportation and the Bureau of Accounting and Payroll Services concur with this finding and their corrective action plans are included in Part VII – Auditee's Corrective Action Plan on Current Findings.

CITY OF BALTIMORE, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003
(Continued)

Finding #: 03-12
CFDA #: 10.558, 14.235, 14.238, 14.239, 14.241, 16.592, 16.710, 17.253, 17.258/259/260, 17.263, 93.044/045, 93.230, 93.569, 93.600, 93.778, 93.914/915, 93.917, 93.940, 93.959, 93.977, 93.994
Program Title: Various
Federal Agency: Various
Federal Award #: Various
Pass-Through: Various

Inactive Grants Were Not Removed from Accounting Records in a Timely Manner

The Common Rule, Subpart C, Section .20, prescribes standards for financial management systems incorporating grants accounting. While the City of Baltimore financial management systems are generally in compliance with these standards, there were inadequacies in accounting for grants.

We observed a significant number of accounts carried in the City's accounting records for twenty-one major federal programs as of June 30, 2003, that were established to account for operating grants received in fiscal year 2002 or earlier. These accounts are inactive (i.e., containing either relatively small surpluses, which should be returned to the grantor, or deficits, which should be charged against City general funds.)

We recommend that accounts for inactive grants be closed out on a timely basis with any surplus funds returned to the grantor and any deficits transferred to City general funds.

Response:

The Bureau of Accounting and Payroll Services (BAPS) concurs with this finding and its corrective action plan is included in Part VII – Auditee's Corrective Action Plan on Current Audit Findings.

PART VI

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003**

Finding Number/Finding

Status

Planned Corrective Action

Findings in this schedule are presented in the same order in which they appeared in the FY 2002 Single Audit report. Each finding number contains a number 02, 01, or 00 to the left of the dash, which designates the FY 2002, 2001, or 2000 audit report. The number to the right of the dash reflects the finding number. The following abbreviations have been used for City agencies: Baltimore City Health Department (BCHD); Department of Housing and Community Development (DHCD); Mayor's Office of Criminal Justice (MOCJ); Mayor's Office of Employment Development (MOED); Department of Transportation (DOT); Commission on Aging and Retirement Education (CARE); Baltimore City Police Department (BCPD); Office of Homeless Services (OHS); and Bureau of Accounting and Payroll Services (BAPS).

Fiscal Year 2002 Single Audit

Schedule of Findings and Questioned Costs

Section III - Federal Award Findings and Questioned Costs

Compliance With Requirements Applicable to Each Major Program

Finding # 02-01

For federal program number 16.579 - Byrne Formula Grant Program, none of the Baltimore City Police Department's (BCPD) three subrecipients had the required financial and compliance audits performed. The auditors recommended that external monitoring procedures be adhered to.

Partially Corrected

The BCPD will make every effort to obtain the subrecipients' audit reports. Procedures will be implemented to ensure future compliance. Implementation date: June 2004

Contact Person: Kristen Mahoney, Director, Grants and Governmental Relations, BCPD

For federal program number 16.592 - Local Law Enforcement Block Grants Program, two of the Mayor's Office of Criminal Justice's (MOCJ) three subrecipients did not have the required financial and compliance audits performed. The auditors recommended that external monitoring procedures be adhered to.

Partially Corrected

MOCJ will make every effort to obtain the missing subrecipients' audit reports. Implementation date: June 2004

Contact Person: Kristen Mahoney, Director, Grants and Governmental Relations, BCPD

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
For federal program numbers 17.253 - Welfare-to-Work Grants, 17.258/259/260 - Workforce Investment Act and 17.263 - Youth Opportunity Grants, three of seven Mayor's Office of Employment Development's (MOED) subrecipients tested did not have the required financial and compliance audits performed. The auditors recommended that external monitoring procedures be adhered to.	Partially Corrected	MOED will make every effort to obtain the missing subrecipients' audit reports. Implementation date: June 2004

Contact Person: Malcolm Leggett, Comptroller, MOED

Finding # 02-02

For federal program numbers 93.778 - Medical Assistance Program, 93.914/915 - HIV Emergency Relief Project Grants, 93.917 - HIV Care Formula Grants, 93.926 - Healthy Start Initiative, 93.940 - HIV Prevention Activities, 93.959 - Block Grant for Prevention and Treatment of Substance Abuse, and 93.994 - Maternal and Child Health Services Block Grant to the States, the Baltimore City Health Department (BCHD) failed to monitor subrecipient activities regarding administration of federal awards for sixty-four of seventy recipients.	Corrected	
For federal program numbers 17.258/259/260 - Workforce Investment Act, the MOED did not demonstrate consistency in internal monitoring of subrecipient activities regarding administration of federal awards.	Not Corrected	

MOED is now improving its consistency in monitoring subrecipient activities and related documentation.
Implementation date: June 2004

Contact Person: Malcolm Leggett, Comptroller, MOED

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
<u>Finding # 02-03</u> For federal program number 93.778 - Medical Assistance Program, the City's accounting records were in excess of the reported expenditures in the amount of \$19,828. The auditors recommended that future financial reports be prepared directly from the City's accounting records.	Corrected	
For federal program number 14.241 - Housing Opportunities for Persons with AIDS (HOPWA), the agency was unable to provide the auditors a copy of the Annual Progress Report (APR) for the HOPWA grant for the grant period from July 1, 2000 through June 30, 2001. The auditors recommended that the agency continue to request copies of this report from HUD and that hard copies of future APR's be retained for audit purposes.	Not Corrected	OHS will continue to request copies of the missing APR and will retain copies of future APRs. Implementation date: June 2004
Reported expenditures for federal program number 14.218 - Community Development Block Grant were in excess of the City's accounting records in the amount of \$30,000. The auditors recommended that future financial reports be prepared directly from the City's accounting records.	Corrected	Contact Person: Nicole Beasley, Finance Manager, OHS

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
For federal program number 16.592 - Local Law Enforcement Block Grants (LLEBG), the City's accounting records were in excess of the reported expenditures in the amount of \$741,924. The auditors recommended that future financial reports be prepared directly from the City's accounting records.	Not Corrected	MOCJ will review the costs charged to Round III of the Local Law Enforcement Block Grants Program (LLEBG) on the City's records in conjunction with the other agencies participating in the LLEBG program. Costs not properly assigned to Round III LLEBG will be reassigned to the proper accounts. If necessary, the report for Round III will be revised to agree to the underlying accounting records. Implementation date: June 2004 Contact Person: Kristen Mahoney, Director, Grants and Governmental Relations, BCPD
<u>Finding # 02-07</u> For federal program number 16.592 - Local Law Enforcement Block Grants, the City incorrectly computed the federal cash available for interest, thus resulting in an overstatement of interest to the LLEBG Program. The auditors recommended that an adjustment be processed to properly credit the program for interest earned on grant funds.	Not Corrected	BAPS will process an adjustment to correct interest earned on grant funds. Additionally, MOCJ and BAPS will coordinate their efforts to ensure that interest earned on all funds are accounted for in the future. Implementation date: June 2004 Contact Person: Kristen Mahoney, Director, Grants and Governmental Relations, BCPD and Michael Broache, Acting Chief, BAPS

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
<u>Finding # 02-08</u> For federal program number 16.592 - Local Law Enforcement Block Grants, the City was unable to provide the auditors with a copy of the Equal Employment Opportunity Plan (EEOP) for their review. The auditors recommended that MOCJ improve their record retention procedures and continue to search for the missing EEOP.	Corrected	
<u>Finding # 02-09</u> For federal program number 14.239 - HOME Investment Partnership Program, the City did not maintain the management records for the on-site inspection of one of the sites selected for auditor review. The auditors recommended that the Department of Housing and Community Development improve their record retention procedures and maintain documentation of the on-site inspections.	Corrected	
<u>Finding # 02-10</u> For federal program number 93.994 - Maternal and Child Health Services Block Grant to the States, the City did not consistently tag all equipment items purchased during the year. The auditors recommended that BCHD consistently adhere to established procedures for tagging equipment items.	Corrected	

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
For federal program number 16.592 - Local Law Enforcement Block Grants, the City did not maintain adequate property records to support equipment purchases. The auditors recommended that MOCJ develop appropriate property records.	Partially Corrected	MOCJ is currently working with the Baltimore Police Department's Management Information Systems and Property Inventory to establish a more effective way to track equipment and computer systems. MOCJ now collects Property Inventory sheets (outlining serial numbers, location, and equipment descriptions) from each subrecipient. Implementation date: June 2004 Contact Person: Kristen Mahoney, Director, Grants and Governmental Relations, BCPD
<u>Finding # 02-11</u> For federal program number 16.592 - Local Law Enforcement Block Grants, cost transfers of \$696,877 from the State's Attorney's account to the MOCJ's LLEBG account were not properly supported. The auditors recommended that MOCJ develop appropriate supporting documentation for the cost transfers and adjust the LLEBG financial report as necessary.	Not Corrected	MOCJ will make every effort to obtain documentation supporting the journal entry and appropriate adjustments will be made to the LLEBG financial reports. MOCJ will continue its efforts in working with other City agencies to ensure that payments are properly documented. Implementation date: June 2004 Contact Person: Kristen Mahoney, Director, Grants and Governmental Relations, BCPD

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
<u>Finding # 02-13</u> For federal program number 20.205 - Highway Planning and Construction, it was determined that the City was not reconciling the consolidated billing report to the accounting records. The auditors recommended that City agencies jointly implement procedures to ensure that the consolidated billing report is complete, accurate and agrees with the City's accounting records.	Not Corrected	BAPS is responsible for the Consolidated Progress Billing, however, DOT will continue to work with BAPS to ensure timely and accurate billing. We will update the Department of Audits of our progress in this area. Implementation date: June 2004 Contact Person: Alfred Foxx, Director, DOT and Michael Broache, Acting Chief, BAPS
<u>Finding # 02-14</u> For federal program number 17.253 - Welfare-to-Work Grants to States and Localities, it was determined that the City was not reconciling billings for program income received from the Baltimore City's Department of Social Services (BCDSS) to payment amounts received by MOED. The auditors recommended that MOED attempt to collect all uncollected receivables from BCDSS.	Corrected	

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
<u>Finding # 02-16</u> For federal program number 93.044/045 - Special Programs for the Aging - Title III, Parts B & C, the City was unable to provide supporting documentation for amounts expended on certain service costs that are subject to earmarking requirements. The auditors recommended that CARE develop controls and procedures to isolate these types of service costs on the accounting records.	Not Corrected	CARE plans to completely revise its chart of accounts to begin using the sub-activity field of the account number for service codes which will enable us to track expenditures by service category. Implementation date: June 2004
		Contact Person: John Stewart, Executive Director, CARE

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
Fiscal Year 2001 Single Audit Schedule of Findings and Questioned Costs Section III - Federal Award Findings and Questioned Costs Compliance With Requirements Applicable to Each Major Program		
<u>Finding # 01-02</u>		
For federal program numbers 93.778 - Medical Assistance Program, 93.926 - Healthy Start Initiative, 93.959 - Block Grant for Prevention & Treatment of Substance Abuse and 93.994 - Maternal and Child Health Services Block Grants to the States, the BCHD failed to monitor subrecipient activities regarding administration of federal awards for sixty-two of seventy-three subrecipients. The auditors recommended that internal monitoring procedures be adhered to.	Corrected	
<u>Finding # 01-03</u>		
For federal program number 93.568 - Low Income Home Energy Assistance, the City's accounting records were in excess of the reported expenditures in the amount of \$12,969. The auditors recommended that future federal financial reports be prepared directly from the City's accounting records.	Corrected	

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
For federal program number 16.592 - Local Law Enforcement Block Grants, the City's accounting records were in excess of the reported expenditures in the amount of \$784,806. The auditors recommended that future federal financial reports be prepared directly from the City's accounting records.	Not Corrected	MOCJ will review the costs charged to Round II of the Local Law Enforcement Block Grant (LLEBG) on the City's records in conjunction with the other agencies participating in the LLEBG program. Costs not properly assigned to Round II LLEBG will be reassigned to the proper accounts. If necessary, the report for Round II will be revised to agree to the underlying accounting records. Implementation date: June 2004 Contact Person: Kristen Mahoney, Director, Grants and Governmental Relations, MOCJ
Reported expenditures for federal program number 93.044 / 93.045 - Special Programs for the Aging, Title III, Parts B & C were in excess of the City's accounting records in the amount of \$1,872,217. Reported revenues were also overstated by \$1,915,034. The auditors recommended that the reported overstated revenues and expenditures be reduced and that future federal financial reports be prepared directly from the City's accounting records.	Not Corrected	CARE agrees with this audit finding. CARE is in the process of resolving these differences with the Maryland Department of Aging. Implementation date: June 2004 Contact Person: John Stewart, Executive Director, CARE

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
Reported expenditures for federal program numbers 10.558 - Child and Adult Care Food Program and 93.778 - Medical Assistance Program were in excess of the City's accounting records in the amounts of \$3,970 and \$1,091,367, respectfully. For a second report for federal program number 93.778, the City's accounting records were in excess of reported expenditures in the amount of \$3,250. The auditors recommended that future financial reports be prepared directly from the City's accounting records.	Partially Corrected	Some adjustments have been processed and additional records are currently being adjusted. Once all adjustments are processed, the accounting records will match the year-end reports. Implementation date: June 2004
<u>Finding # 01-06</u>		Contact Person: Bhupendra Thakkar, Chief of Fiscal and Grants, BCHD
For federal program number 17.253 - Welfare-to-Work Grants to States and Localities, MOED did not incorporate the 50 percent holdback provision into their contractual agreements with subrecipients. Thus, MOED did not implement the required provision and compliance with this requirement could not be verified. The auditors recommended inclusion of the required provision in contracts and withhold half of the funds for six months.	Corrected	

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
<u>Finding # 01-07</u> For federal program number 16.592 - Local Law Enforcement Block Grants Program, the City incorrectly calculated federal cash available for interest in the amount of \$152,518. The auditors recommended that an adjustment be processed to properly credit the program for interest earned on grant funds.	Not Corrected	BAPS is currently working with the Police Department to prepare the appropriate accounting entries to adjust this grant for the unallocated interest. Implementation date: June 2004 Contact Person: Kristen Mahoney, Director, Grants and Governmental Relations, MOCJ and Michael Broache, Acting Chief, BAPS
<u>Finding # 01-10</u> For federal program number 20.205 - Highway Planning and Construction, it was determined that the City was not reconciling the consolidated billing report to the accounting records. The auditors recommended that City agencies jointly implement procedures to ensure that the consolidated billing report is complete, accurate and agrees to the City's accounting records.	Not Corrected	BAPS is responsible for the Consolidated Progress Billing, however, DOT has been meeting with BAPS to address the Consolidated Progress Billing issues. Any and all steps will be taken to ensure the timeliness and accuracy of future billings. We will be in contact with the Department of Audits concerning progress in this area. Implementation date: June 2004 Contact Person: Alfred Foxx, Director, DOT and Michael Broache, Acting Chief, BAPS

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
<u>Finding # 01-11</u> For federal program number 17.253 - Welfare-to-Work Grants to States and Localities, there were no procedures in place to reconcile program income earned with the amounts actually received. This resulted in uncollected program income in the amount of \$13,441. The auditors recommended that MOED establish and implement procedures requiring monthly reconciliation and to resolve uncollected balance issues.	Corrected	
<u>Finding # 01-14</u> For federal program number 93.044 / 93.045 - Special Programs for the Aging, Title III, Parts B & C, the City was unable to provide documentation for amounts spent on access services and in-home services in support of earmarking requirements. The auditors recommended that the City develop procedures to isolate types of services for reporting purposes and that future financial reports be prepared directly from the accounting records.	Not Corrected	CARE agrees with this finding. For fiscal year 2004, CARE will be developing and will implement procedures to satisfy earmarking requirements. These procedures will be developed directly from the City's accounting records. Implementation date: June 2004

Contact Person: John Stewart, Executive Director, CARE

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
Fiscal Year 2000 Single Audit Schedule of Findings and Questioned Costs Section III - Federal Award Findings and Questioned Costs Compliance With Requirements Applicable to Each Major Program		
<u>Finding # 00-02</u>		
For federal program number 93.778 - Medical Assistance Program, the City's accounting records were in excess of the reported expenditures in the amounts of \$1,556 and \$33,015. The auditors recommended that future federal financial reports be prepared directly from the City's accounting records.	Corrected	
Reported expenditures for federal program number 93.994 - Maternal and Child Health Services Block Grant to the States were in excess of the City's accounting records in the amounts of \$76,473 and \$156,377. The auditors recommended that the reported overstated expenditures be reduced and that future federal financial reports be prepared directly from the City's accounting records.	Corrected	

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
Reported expenditures for federal program number 93.044 / 93.045 - Special Programs for the Aging, Title III, Parts B & C were in excess of the City's accounting records in the amount of \$1,805,646. Reported revenues were also overstated by \$1,671,011. The auditors recommended that the reported overstated revenues and expenditures be reduced and that future federal financial reports be prepared directly from the City's accounting records.		This audit finding does not warrant further action. Two years have passed since the audit report in which the finding occurred was submitted to the Federal Clearinghouse, the grantor is not currently following up with the auditee on the audit finding, and a management decision was not issued. Therefore, this finding will no longer appear on the Auditee's Summary Schedule of Prior Audit Findings.
Reported expenditures for federal program number 16.592 - Local Law Enforcement Block Grant were in excess of the City's accounting records in the amount of \$173,072. The auditors recommended that the reported overstated expenditures be reduced and that future federal financial reports be prepared directly from the City's accounting records.		This audit finding does not warrant further action. Two years have passed since the audit report in which the finding occurred was submitted to the Federal Clearinghouse, the grantor is not currently following up with the auditee on the audit finding, and a management decision was not issued. Therefore, this finding will no longer appear on the Auditee's Summary Schedule of Prior Audit Findings.
Reported expenditures for federal program number 10.558 - Child and Adult Care Food Program were in excess of the City's accounting records in the amount of \$3,710. The auditors recommended that the reported overstated expenditures be reduced and that future federal financial reports be prepared directly from the City's accounting records.		This audit finding does not warrant further action. Two years have passed since the audit report in which the finding occurred was submitted to the Federal Clearinghouse, the grantor is not currently following up with the auditee on the audit finding, and a management decision was not issued. Therefore, this finding will no longer appear on the Auditee's Summary Schedule of Prior Audit Findings.

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
For federal program numbers 17.246 / 17.250 - Economic Dislocation & Workers' Adjustment Assistance Act / Job Training Partnership Act, the City's accounting records were in excess of the reported expenditures in the amounts of \$29,283 and \$29,908. The auditors recommended that future federal financial reports be prepared directly from the City's accounting records.	Corrected	
<u>Finding # 00-06</u>		
For federal program number 17.253 - Welfare-to-Work Grants to States and Localities, the City did not comply with the retention of payments provision and this required 50 percent holdback provision was not incorporated into the contractual agreements. The auditors recommended that the required provision be included in the contracts and that the program withhold half of the funds for six months.	Corrected	

CITY OF BALTIMORE
AUDITEE'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Status</u>	<u>Planned Corrective Action</u>
<p><u>Finding # 00-10</u> For federal program number 17.253 - Welfare-to-Work Grants to States and Localities, there were no procedures in place to reconcile income earned with actual amounts received. Amounts invoiced for program income were \$144,226 as compared to actual receipts of \$87,574, leaving an uncollected balance of \$56,652. The auditors recommended that the City establish and implement procedures requiring monthly reconciliation and resolve any uncollected balances.</p>	Corrected	
<p><u>Finding # 00-12</u> For federal program number 93.044 / 93.045 - Special Programs for the Aging, Title III, Parts B & C, the City was unable to provide documentation for amounts spent on access services, in-home services and legal assistance in support of earmarking requirements. The auditors recommended that the City develop procedures to isolate types of services for reporting purposes and that future financial reports be prepared directly from the accounting records.</p>		<p>This audit finding does not warrant further action. Two years have passed since the audit report in which the finding occurred was submitted to the Federal Clearinghouse, the grantor is not currently following up with the auditee on the audit finding, and a management decision was not issued. Therefore, this finding will no longer appear on the Auditee's Summary Schedule of Prior Audit Findings.</p>

PART VII

CORRECTIVE ACTION PLAN ON CURRENT
AUDIT FINDINGS

CITY OF BALTIMORE
AUDITEE'S CORRECTIVE ACTION PLAN ON CURRENT AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003

<u>Finding Number/Finding</u>	<u>Contact Person</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion Date</u>
Findings in this schedule are presented in the same order in which they appear in the Auditor's Schedule of Findings and Questioned Costs - Section III, Federal Award Findings and Questioned Costs. The following abbreviations have been used for City agencies: Baltimore City Health Department (BCHD); Department of Housing and Community Development (DHCD); Mayor's Office of Criminal Justice (MOCJ); Mayor's Office of Employment Development (MOED); Department of Transportation (DOT); Commission on Aging and Retirement Education (CARE); Baltimore City Police Department (BCPD); Office of Homeless Services (OHS); and Bureau of Accounting and Payroll Services (BAPS).			
<u>Finding # 03-01</u>			
City Agencies were Not Adhering to Federal Requirements Regarding External Monitoring of Subrecipients	Niccole Beasley, Finance Manager, OHS	The DHCD Office of Homeless Services has compiled a schedule and will be conducting a host of provider site visits in order to perform financial monitoring reviews. During these reviews, specific forms of financial information will be required including copies of audit reports. Those providers that have an established pattern of delinquency will be scheduled first for review. In the interim the OHS will continue its efforts to secure the necessary documentation.	June 2004
	Kristen Mahoney, Director, Grants and Governmental Relations, BCPD	MOCJ will make every effort to obtain the subrecipients' audit reports. Procedures will be implemented to ensure future compliance.	June 2004
	Malcolm Leggett, Comptroller, MOED	MOED will make every effort to obtain the missing subrecipients' audit reports.	June 2004
<u>Finding # 03-02</u>			
City Agencies were Not Adhering to Federal Requirements Regarding Internal Monitoring of Subrecipients	Malcolm Leggett, Comptroller, MOED	MOED is now improving its consistency in monitoring subrecipient activities and related documentation.	June 2004

CITY OF BALTIMORE
AUDITEE'S CORRECTIVE ACTION PLAN ON CURRENT AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003

(continued)

<u>Finding Number/Finding</u>	<u>Contact Person</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion Date</u>
<u>Finding # 03-03</u> Financial Reports were Not Supported by the Underlying Accounting Records	Bhupendra Thakkar, Chief of Fiscal and Grants, BCHD	Program 10.558 financial reports are prepared monthly from the accounting records and adjustments for mistakes in previous monthly reports. BCHD will implement procedures to prepare	June 2004
	William Colbert, Chief of Fiscal Services, DHCD	Community Development Block Grant - DHCD concurs that the Grantee Performance Report (GPR) understated program income. DHCD has reconciled agency records to the City's Level III. An amended GPR financial summary form will be sent to HUD for approval.	June 2004
	Nicole Beasley, Finance Manager, OHS	OHS is in full compliance with HUD reporting requirements. Attempts to retrieve hard copies of reports have been unsuccessful, but OHS will continue its efforts. In the future, OHS will download an IDIS list of activities by program year and project report.	June 2004
	Kristen Mahoney, Director, Grants and Governmental Relations, BCPD	BCPD will implement procedures to prepare interim financial reports directly from the City's accounting records.	June 2004

CITY OF BALTIMORE
AUDITEE'S CORRECTIVE ACTION PLAN ON CURRENT AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Contact Person</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion Date</u>
<u>Finding # 03-04</u>			
Financial Reports were Not Submitted in a Timely Manner	Kristen Mahoney, Director, Grants and Governmental Relations, BCPD	MOCJ is continually working on procedures that generate reports in a timely manner for all programs.	June 2004
	John Stewart, Executive Director, CARE	CARE is implementing procedures and will monitor these procedures to ensure that financial reports are submitted timely.	June 2004
	William Colbert, Chief of Fiscal Services, DHCD	While most reports were submitted on time, DHCD will make every attempt to comply with future reporting requirements.	June 2004
	Bhupendra Thakkar, Chief of Fiscal and Grants, BCHD	During fiscal year 2003, the majority of BCHD reports were submitted on time. The remainder were not submitted until after the due dates (with the understanding of the grantor agencies), due to our late receipt of subrecipient reports.	June 2004

CITY OF BALTIMORE
AUDITEE'S CORRECTIVE ACTION PLAN ON CURRENT AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Contact Person</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion Date</u>
<u>Finding # 03-05</u> Obligations Incurred were Not Liquidated Within 90 Days of the End of the Funding Period	Malcolm Leggett, Comptroller, MOED	MOED will increase efforts to ensure that obligations incurred are liquidated within 90 days of the end of the funding period.	June 2004
	Bhupendra Thakkar, Chief of Fiscal and Grants, BCHD	Liquidation of costs was not in compliance with the 90 day liquidation requirement due to the late submission of subrecipients' annual expenditure reports. This, consequently, pushed subrecipient reimbursement payments past 90 days. BCHD will increase efforts to ensure that obligations incurred are liquidated within 90 days of the end of the funding period.	June 2004
	William Colbert, Chief of Fiscal Services, DHCD	DHCD will increase efforts to ensure that obligations incurred are liquidated within 90 days of the end of the funding period.	June 2004
<u>Finding # 03-06</u> Interest Earned on Advanced Grant Funds was Not Properly Credited to the Program	Kristen Mahoney, Director, Grants and Governmental Relations, BCPD	BAPS will develop appropriate documentation to support the interest calculations and will process adjustments to correct interest earned on grant funds. Additionally, MOCJ and BAPS will coordinate their efforts to ensure that interest earned on all funds is accurately accounted for in the future.	June 2004
<u>Finding # 03-07</u> Equipment Records were Inadequate	Kristen Mahoney, Director, Grants and Governmental Relations, BCPD	MOCJ and BCPD will develop records to comply with the Common Rule.	June 2004

CITY OF BALTIMORE
AUDITEE'S CORRECTIVE ACTION PLAN ON CURRENT AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Contact Person</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion Date</u>
<u>Finding # 03-08</u> Unallowable Costs Charged to the Program	Alfred Foxx, Director, DOT, Michael Broache, Acting Chief, BAPS	DOT and BAPS will implement procedures to ensure that retainages and contractor payments are recorded properly in the City's accounting records. The Consolidated Billing Report will be adjusted to correct the identified errors.	June 2004
<u>Finding # 03-09</u> Progress Reports Were Not Submitted	Bhupendra Thakkar, Chief of Fiscal and Grants, BCHD	BCHD will submit Progress Reports as required by the grant agreements.	June 2004
<u>Finding # 03-10</u> Federal Grant Receipts Were in Excess of Needs	Bhupendra Thakkar, Chief of Fiscal and Grants, BCHD	Journal entries have been processed to transfer \$75,000 in administrative expenses to the City's grant account, thereby eliminating part of the excess draw downs. In addition, BCHD expected a subcontractor to submit its final invoice in June 2003. BCHD is still waiting for the subcontractor's final invoice, which should eliminate the remaining cash balance. In the future, BCHD will strengthen its procedures to draw down funds in accordance with Federal regulations.	June 2004
<u>Finding # 03-11</u> Reimbursement Billing Reports Were Not Consistently Prepared in Accordance With Program Requirements	Alfred Foxx, Director, DOT, Michael Broache, Acting Chief, BAPS	BAPS is responsible for the Consolidated Progress Billing, however, DOT will continue to work with BAPS to ensure timely and accurate billing. We will update the Department of Audits on our progress in this area.	June 2004

CITY OF BALTIMORE
AUDITEE'S CORRECTIVE ACTION PLAN ON CURRENT AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003
(continued)

<u>Finding Number/Finding</u>	<u>Contact Person</u>	<u>Planned Corrective Action</u>	<u>Anticipated Completion Date</u>
<u>Finding # 03-12</u> Inactive Grants were Not Removed from Accounting Records in a Timely Manner	Michael Broache, Acting Chief, BAPS	BAPS does not remove an account from the accounting records without consent of the grantee agency. The grantee agency will not close out a grant until the grantor accepts a final report. BAPS will work with the grantee agency to accelerate the close out process. Additionally, BAPS will impose restrictions on the access to grant accounts 120 days after the close of the grant year or grant termination date.	June 2004